



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS' REGULAR MEETING

October 1, 2008

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:45 a.m. in the 7th floor Board Room at the Air District headquarters, 939 Ellis Street, San Francisco, California.

Questions About an Agenda Item

The name, telephone number and e-mail of the appropriate staff person to contact for additional information or to resolve concerns is listed for each agenda item.

Meeting Procedures

The public meeting of the Air District Board of Directors begins at 9:45 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

BOARD OF DIRECTORS' REGULAR MEETING

A G E N D A

WEDNESDAY
OCTOBER 1, 2008
9:45 A.M.

BOARD ROOM
7TH FLOOR

CALL TO ORDER

Opening Comments
Roll Call
Pledge of Allegiance

Chairperson, Jerry Hill
Clerk of the Boards

PUBLIC COMMENT PERIOD

Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3
Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Board's subject matter jurisdiction. Speakers will be limited to three (3) minutes each.

CONSENT CALENDAR (ITEMS 1 – 7)

Staff/Phone (415) 749-

1. Minutes of July 30, 2008

L. Harper/5073

lharp@baaqmd.gov

2. Communications

J. Broadbent/5052

jbroadbent@baaqmd.gov

Information only.

3. Air District Personnel on Out of State Business Travel

J. Broadbent/5052

jbroadbent@baaqmd.gov

In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the attached memoranda lists District personnel who traveled on out-of-state business.

4. Report of Division Activities

J. Broadbent/5052

jbroadbent@baaqmd.gov

Report of Division Activities for the months of April –June 2008

5. Consideration of Recommendation to Establish Job Classifications and Descriptions for Fiscal Services Coordinator, Facilities Services Supervisor, Senior Air Quality Permit Technician and Librarian

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Board of Directors will consider approval of recommendations to establish job Classifications and descriptions for Fiscal Services Coordinator set at pay range 135; Facilities Services Supervisor set at pay range 130; Senior Air Quality Permit Technician set at pay range 130; and Librarian set at pay range 128.

6. Consideration of Amendment to the Air District's Memorandum of Understanding, (MOU) Section 7.02: Salary Placement for Promoted Employees

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Board of Directors will consider approval of recommendation to amend the Air District's MOU to modify language concerning the salary placement for promoted employees.

7. Set Public Hearing for November 5, 2008 to Consider Adoption of proposed amendments to Air District Regulation 8, Rule 20: Graphic Arts Printing and Coating Operations, amendments to Regulation 2, Rule 1: Permits, and amendments to Regulation 3: Fees, Schedule R: Equipment Registration Fees, and Adoption of a CEQA Negative Declaration
H. Hilken/4642

hhilken@baaqmd.gov

Proposed amendments to Regulation 8, Rule 20 would reduce emissions from printing presses by reducing the allowable volatile organic compound (VOC) content in flexographic ink on porous substrates and in press cleaning products for all presses, and by subjecting lower-emitting printing facilities to the requirements of the rule. The lower-emitting facilities would be required to register with the District but would not need a permit. Proposed amendments to Regulation 2, Rule 1 would align the permitting requirements with the applicability limits in Regulation 8, Rule 20 and amendments to Regulation 3 would set registration fees for these facilities.

COMMITTEE REPORTS AND RECOMMENDATIONS

8. Report of the **Personnel Committee** Meeting of July 31, 2008

CHAIR: H. BROWN

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): The Committee recommends that the Board of Directors' appoint Gilbert Bendix to fill the Alternate Engineer member position on the Air District's Hearing Board.

9. Report of the **Stationary Source Committee** Meeting of September 15, 2008

CHAIR: S. HAGGERTY

J. Broadbent/5052

jbroadbent@baaqmd.gov

10. Report of the **Climate Protection Committee** Meeting of September 18, 2008

CHAIR: P. TORLIATT

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): The Committee recommends Board of Directors approval of request to authorize the Executive Officer/APCO to execute consulting services contract with O'Rorke Inc., in an amount not to exceed \$200,000 for a Spring 2009 Regional Climate Protection Summit.

11. Report of the **Legislative Committee** Meeting of September 22, 2008

CHAIR: B. WAGENKNECHT

J. Broadbent/5052

jbroadbent@baaqmd.gov

12. Report of the **Budget and Finance Committee** Meeting of September 24, 2008

CHAIR: C. DALY

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): The Committee recommends that the Board of Directors approve an Air Quality Program Manager position in the Administration and Incentives Division.

13. Report of the **Mobile Source Committee** Meeting of September 25, 2008

CHAIR: T. SMITH

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): The Committee may recommend Board of Directors approval of the following:

- A) Allocation of \$11,790,697 in funding from a combination of Fiscal Year 2008/2009 TFCA Regional funds and Mobile Source Incentive Fund (MSIF) funds for the forty-six projects listed in Attachment 1 of the staff report;*
- B) Allocation of \$1,744,627, pending available funding, for seven projects listed in Attachment 2 of the staff report, using FY 2008/2009 TFCA Regional Funds; and*
- C) Authorize the Executive Officer to expend funding on eligible projects and to enter into funding agreements with recipients of grant awards for the projects listed in Attachments 1 and 2 of the staff report.*

14. Report of the **Public Outreach Committee** Meeting of September 26, 2008

CHAIR: M. ROSS

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): The Committee may recommend Board of Directors' approval of the following:

- A) Use of carry over funds in the amount of \$200,000 to offer \$200 rebates for the purchase and installation of new gas stoves and inserts; and*
- B) Authorize the Executive Officer/APCO to execute contract extensions to assist with public outreach for Advertising Design and Production with O'Rorke, in an amount not to exceed \$550,000; and for Media Relations and the Employer Program with Allison & Partners, not to exceed \$250,000.*

15. Report of the **Executive Committee** Meeting of September 29, 2008

CHAIR: J. HILL

J. Broadbent/5052

jbroadbent@baaqmd.gov

Action(s): The Committee may recommend Board of Directors approval of the following

- A) Advisory Council recommendations on a Strategy Relative to Asthma and Indoor Air Quality and Principles developed in response to comments to the Air Resources Board relative to AB32 Climate Change Draft Scoping Plan;*

PRESENTATION

16. Summary of the 2008 Ozone Season and Potential Attainment/Non-Attainment Designation of the Bay Area

G. Kendall/4932

gkendall@baaqmd.gov

Staff will provide a summary of the 2008 Ozone Season and potential EPA attainment / non-attainment designation of the Bay Area for the revised 8-hour national ozone standard.

CLOSED SESSION

17. **Conference with Legal Counsel – Existing Litigation**

Pursuant to Government Code Section 54956.9(a), a need exists to meet in closed session with legal counsel to consider the following case(s):

Peter Rogosin v. Bay Area AQMD, et al., San Francisco Superior Court Case No. CGC 08 478154

OPEN SESSION

OTHER BUSINESS

18. Report of the Executive Officer/APCO
19. Chairperson's Report
20. Board Members' Comments

Any member of the Board, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

21. Time and Place of Next Meeting – 9:45 a.m., Wednesday, October 15, 2008- 939 Ellis Street, San Francisco, CA 94109
22. Adjournment

CONTACT EXECUTIVE OFFICE - 939 ELLIS STREET SF, CA 94109

(415) 749-5127

FAX: (415) 928-8560

BAAQMD homepage:

www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities. Notification to the Executive Office should be given at least 3 working days prior to the date of the meeting so that arrangements can be made accordingly.
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the Air District's headquarters at 939 Ellis Street, San Francisco, CA 94109, at the time such writing is made available to all, or a majority of all, members of that body. Such writing(s) may also be posted on the Air District's website (www.baaqmd.gov) at that time.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF DISTRICT MEETINGS

SEPTEMBER 2008

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Mobile Source Committee – <i>(Meets 4th Thursday of each Month)</i>	Thursday	25	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Public Outreach Committee <i>(Meets 1st Thursday every other Month)</i>	Friday	26	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Executive Committee - <i>(At the Call of the Chair)</i>	Monday	29	9:45 a.m.	4 th Floor Conf. Room

OCTOBER 2008

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	1	9:45 a.m.	Board Room
Advisory Council Air Quality Planning Committee <i>(Meets 1st Thursday Even Month) – RESCHEDULED TO THURSDAY, OCTOBER 16, 2008</i>	Thursday	2	9:30 a.m.	4 th Floor Conf. room
Advisory Council Technical Committee <i>(Meets 1st Monday of every even Month) - RESCHEDULED TO WEDNESDAY, OCTOBER 22, 2008</i>	Monday	6	9:30 a.m.	Board Room
Advisory Council Public Health Committee – <i>(Meets 2nd Wednesday Even Month)</i>	Wednesday	8	1:30 p.m.	Board Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	Board Room
Advisory Council Air Quality Planning Committee <i>(Meets 1st Thursday Even Month)</i>	Thursday	16	9:30 a.m.	Board Room
Board of Directors Budget & Finance Committee <i>(Meets 4th Wednesday of each month)</i>	Wednesday	22	9:30 a.m.	4 th Floor Conf. Room
Advisory Council Technical Committee <i>(Meets 1st Monday of every even Month)</i>	Wednesday	22	9:30 a.m.	Board Room
Board of Directors Mobile Source Committee – <i>(Meets 4th Thursday of each Month)</i>	Thursday	23	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Legislative Committee <i>(Meets 4th Monday of the Month)</i>	Monday	27	9:30 a.m.	4 th Floor Conf. Room

NOVEMBER 2008

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	5	9:45 a.m.	Board Room
Board of Directors Public Outreach Committee <i>(Meets 1st Thursday every other Month)</i>	Thursday	6	9:30 a.m.	4 th Floor Conf. Room
Advisory Council Executive Committee Meeting <i>(Meets 2nd Wednesday Every Other Month)</i>	Wednesday	12	9:00 a.m.	Room 716
Advisory Council Regular Meeting <i>(Meets 2nd Wednesday Every Other Month)</i>	Wednesday	12	10:00 a.m.	Board Room
Joint Policy Committee	Friday	14	10:00 a.m. – 12:00 p.m.	MTC 101 - 8 th Street Oakland, CA 94607
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	19	9:45 a.m.	Board Room
Board of Directors Climate Protection Committee Meeting <i>(Meets 3rd Thursday Every Other Month)</i>	Thursday	20	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Legislative Committee <i>(Meets 4th Monday of the Month)</i>	Monday	24	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Budget & Finance Committee <i>(Meets 4th Wednesday of each month)</i>	Wednesday	26	9:30 a.m.	4 th Floor Conf. Room

HL

9/25/08 (8:18 a.m.)

P/Library/Forms/Calendar/Calendar/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 17, 2008

Re: Board of Directors' Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Regular Board of Directors' meeting of July 30, 2008.

DISCUSSION

Attached for your review and approval are the draft minutes of the July 30, 2008 Regular Board of Directors' meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

DRAFT MINUTES

Board of Directors' Regular Meeting– July 30, 2008

Call To Order

Opening Comments: Chairperson Jerry Hill called the meeting to order at 9:45 a.m.

Roll Call: Present: Jerry Hill, Chair, Directors Harold Brown, Chris Daly, Dan Dunnigan, John Gioia, Scott Haggerty, Yoriko Kishimoto, Carol Klatt, Liz Kniss, Janet Lockhart, Jake McGoldrick, Nate Miley, Mark Ross, Michael Shimansky, John Silva, Gayle Uilkema, Brad Wagenknecht, Ken Yeager

Absent: Tom Bates, Erin Garner, Tim Smith, Pamela Torliatt

Pledge of Allegiance: The Board of Directors recited the Pledge of Allegiance.

Public Comment Period:

There were no public comments.

Consent Calendar (Items 1 – 7)

Director Uilkema requested removal of Item 5, requested that the Policy on District Personnel on Out-of-State Business Travel be referred to the Executive Committee, and supported the item's approval.

1. Minutes of July 9, 2008 Regular Meeting
2. Communications
Information only
3. Quarterly Report of Air Resources Board Representative – Honorable Jerry Hill
A summary of Chairperson, Hill's activities on the Air Resources Board was provided for information only.
4. Quarterly Report of the Executive Office
A summary of Board of Directors, Hearing Board and Advisory Council meeting activities for the second quarter is provided for information only.
5. District Personnel on Out of State Business Travel
In accordance with Section 5.4(b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the attached memoranda lists District personnel who traveled on out-of-state business.

6. Consideration of Recommendation for Adjustment to Salary Range for the Senior Policy Advisor Classification Series
The Board of Directors' considered approval of a recommendation for a salary range adjustment to the Senior Policy Advisor classification series from Range 151 to Range 148.
7. Consideration of Recommendation to Establish a Job Classification Description of Communications Director with a Salary Range set at Range 151M
The Board of Directors considered approval of a recommendation to establish a job classification description for Communications Director set at pay range 151M.

Board Action: Director Uilkema moved approval of Consent Calendar, as amended to require the Out-of-State Travel Policy be reviewed by the Executive Committee; seconded by Director Wagenknecht; carried unanimously without opposition.

COMMITTEE REPORTS AND RECOMMENDATIONS

8. Report of the Mobile Source Committee Meeting of July 9, 2008

Secretary Wagenknecht gave the report of the Mobile Source Committee, stating that the Committee had met on Wednesday, July 9, 2008 and approved the Mobile Source Committee minutes of May 15, 2008.

The Committee recommended Board of Directors' approval of the following:

- A) Allocation of \$20,756,901 in funding from a combination of Carl Moyer Program funding and Mobile Source Incentive Funding (MSIF) for projects listed in Attachment 1 of Agenda item 4 in reports to the Committee and authorize the Executive Officer/APCO to expend funding on eligible projects and execute all necessary funding agreements with recipients of grant award projects;
- B) Expenditure Plans for FY 2008/09 TFCA County Program Manager Projects listed in Attachment 1 of Agenda item 5 of the reports to the Committee and authorization of Executive Officer/APCO to enter into funding agreements with the County Program Managers for Board approved projects;
- C) Authorization of the Executive Officer/APCO to execute all necessary contract agreements with TIAX LLC for administrative consultation relative to the implementation of I-Bond funding in an amount not to exceed \$796,573 with the authorization of the Executive Officer/APCO to renew this contract annually for up to three years based on the performance of the consultant and approval of the Committee; and
- D) Allocation of \$3.375 million in MSIF revenues to the Lower-Emission School Bus Program (LESBP) for the purchase of new public school buses; and authorize the Executive Officer/APCO to enter into all necessary funding agreements with recipients of grant awards under the LESBP.

Board Action: Secretary Wagenknecht moved to approve the report and recommendations of the Mobile Source Committee; seconded by Director Uilkema; carried unanimously without opposition.

RESOLUTION(S)

9. **Consideration and Adoption of Resolution Urging the Port of Oakland to Adopt User Fees to Fund the Mitigation of Air Pollution Health Risk in the West Oakland Community.**

The Board of Directors considered adoption of a resolution in support of the Port of Oakland's container fee proposal.

Executive Officer/APCO Broadbent gave the staff report, stating that the resolution before the Board is designed to encourage the Port of Oakland to provide a separate fund dedicated to air pollution mitigation and to match the District's incentive funds. He then provided a brief background on the Health Risk Assessment in West Oakland.

Director Shimansky confirmed with Mr. Broadbent that the Ad Hoc Committee on Port Emissions met earlier in the month, a status update was provided, and the resolution is timely because the fee will be considered by the Port's Board of Directors over the next months.

Director Gioia supported the resolution, reiterated that the impacts of the Port are the most intense in West Oakland; however, rail impacts go beyond Oakland. He therefore requested the resolution be broader to include impacts to other communities, such as Richmond, as they will have increased rail traffic. He requested, "and other impacted communities" be added to the end of the NOW, THEREFORE, BE IT RESOLVED" paragraph of the resolution.

Director Hill opened the public comment period and there were no public comments.

Board Action: Director Gioia moved to Adopt Resolution Urging the Port of Oakland to Adopt User Fees to Fund the Mitigation of Air Pollution Health Risk in the West Oakland Community, as amended to add "and other impacted communities" to the end of the NOW, THEREFORE, BE IT RESOLVED clause; seconded by Director Ross; carried unanimously without opposition.

10. **Consideration and Adoption of Proposed Resolution Continuing to Reduce Contaminants in Impacted Communities**

The Board of Directors considered adoption of a resolution regarding continuing to reduce air contaminants in impacted communities.

Mr. Broadbent gave the staff report, stating that the resolution speaks to the on-going commitment the Board has in addressing cumulative impacts. The work came about as a result of discussions with many groups, it calls for implementation of the CARE Mitigation Action Plan, participating in State processes, working with community groups in promoting interagency collaborations, and he recommended its adoption.

Chair Hill opened the public comment period.

Public Comments:

Karen Pierce, San Francisco Department of Public Health and BAEHC, presented and read a letter from Bay Area Ditching Dirty Diesel Collaborative regarding the need to address impacts of diesel pollution, developing policy and regulations to achieve public health goals, and she applauded the Board's efforts in adoption of the resolution.

Wafuu Aborashed, Healthy 880 Communities, EJAQC, BAEHC, thanked the Board for support of the resolution, felt it is important to recognize the challenges in reducing impacts, and hoped to put some teeth in the enforcement of the policy.

Dr. Henry Clark, Executive Director of the West County Toxics Coalition, said he believed this was a historic moment for environmental justice, said the State formed a committee but is not as far as the Air District is, and thanked the Board for adoption of the resolution.

Lee Tim Ly, BAEHC and the Chinese Progressive Association, thanked the Board for their leadership in addressing cumulative impacts head on, he hopes the Air District will continue to implement and enforce the program through its governance, and encouraged the Board to continue to work with community organizations to address language access needs, as well.

Antonio Diaz, PODER/BAEHC, said they have collaborated with the Chinese Progressive Association to work with environmental justice issues, spoke in favor of the resolution, thinks it is an important first step, wants to continue to build and work to develop enforceable measures, enhanced language access, and address poor land use decision-making.

Latrice Alexander said she supported the resolution.

Marie Harrison, Green Action for Health and Environmental Justice, commended the Board on their work, urged support and approval of the resolution and in continuing to work together.

Board Action: Director Ross moved to Adopt the Resolution Continuing to Reduce Contaminants in Impacted Communities; seconded by Director Dunnigan; carried unanimously without opposition.

PUBLIC HEARING

11. **Public Hearing to Consider Adoption of Proposed Amendments to Regulation 9, Rule 7: Nitrogen Oxides and Carbon Monoxide from Industrial, Institutional and Commercial Boilers, Steam Generators and Process Heaters; Amendments to the Manual of Procedures, Volume I, Chapter 5: Boiler, Steam Generator and Process Heater Tuning Procedure; Amendments to Regulation 3: Fees, Schedule R: Equipment Registration Fees; and Adoption of a CEQA Negative Declaration**

The Board of Directors considered adoption of proposed amendments to Regulation 9; Rule 7: Nitrogen Oxides and Carbon Monoxide from Industrial, Institutional and Commercial Boilers, Steam Generators and Process Heaters will extend the applicability of the rule to smaller devices and reduce emissions of NOx, CO,

secondary particulate matter and greenhouse gases from all devices subject to the rule.

Senior Air Quality Engineer Julian Elliot presented a PowerPoint presentation on amendments to Regulation 9, Rule 7: NO_x and CO from industrial, institutional and commercial boilers, steam generators and process heaters. He provided background on the proposed amendments, proposed NO_x limits, energy efficiency and other requirements, emission reductions, the average installed costs per device and average cost effectiveness, the Rule's development process, conclusions and recommendations.

Directors confirmed with Mr. Elliott that the fee is a one-time fee for operators and that the cost effectiveness numbers did not include fuel savings and efficiencies.

Public Comments:

Eugene Fahei, Calpine Corporation, discussed Calpine's work to make their fleets the cleanest and most efficient and challenges they face to meet the energy needs of the State. He said amendments greatly impact their operations especially for some of their older facilities, and he asked the Board to consider the cost per device of the 75 MM BTU boilers and above which he said may not include ancillary devices, and rather use low efficient NO_x burners which would help efficiency, and he asked the Board to consider changing the Regulation that affects the 75 MM BTU boilers to meet a 9 PPM limit. Secondly, he requested the Board to consider extending the compliance date to 2018, stating the units most impacted are also subject to Regulation 9, Rule 9. The 2018 date would better allow them to consider whether or not to replace the units and meet their contractual requirements.

Michael Kiddy, Environmental Studies student at SFSU, voiced two concerns: 1) ammonium emissions with catalytic technology; and 2) whether there was a specific target date with the standards set by the CARB.

Valerie Lear, Environmental Studies student at SFSU, supported increased regulations, reduction of emissions and increased energy efficiency requirements.

Mr. Elliott addressed the speakers' questions, stating staff spoke with CalPine and added a two-year extension to the Rule entirely for their benefit to offset when those costs would be incurred. He felt extension to 2018 was unreasonably long, agreed that it is possible for Calpine's costs to be higher given their facility, but statistics were provided by ARB and staff believes costs for 5 PPM standard are reasonably close to what has been estimated, and therefore staff could not support lowering the standard. Regarding comments related to the ammonium emissions from selective catalytic systems, Mr. Elliott said there are 7 devices that would be subject to new requirements. Ammonium emissions are regulated consistently through the permit process, which all limit emissions to 10 PPM, and they did look at the 7 devices, the majority of which are located in non-heavily populated areas.

Ms. Roggenkamp spoke regarding California Clean Air Act requirements and reiterated that the Air District's charge is to implement all feasible measures as expeditiously as possible; that this is a State law requirement and this is the reason the Rule is being brought forward today.

Regarding service life allowance, Mr. Elliott said the Air District wants to avoid the situation where someone just put in a device and will have to replace it or spend the value of that device on a retrofit. The Air District will allow some amount of time before they must retrofit it. With other devices, they will need to be replaced and 10 years is the maximum amount of time.

Boardmember Uilkema voiced concern with the significant cost of \$580,000 for the average installed cost per device for 75 MM BTU/hr units based on its average cost effectiveness. Mr. Broadbent explained that these are the largest units, reductions do occur, the Air District is trying to be consistent statewide, and it is important that progress be made.

Director Gioia said in perspective, the costs per device were most likely proportional to the actual cost of the units themselves; the larger they got the more expensive they are. Mr. Elliott agreed and reported that devices of 75 MM BTUs and larger account for 3% of the population and 17% of emissions. He described locations of the largest units and said the very largest was 410 MM BTU/hr., with an average size of approximately 115 MM BTU/hr.

Board Action: Boardmember Gioia moved the adoption of Proposed Amendments to Regulation 9, Rule 7: Nitrogen Oxides and Carbon Monoxide from Industrial, Institutional and Commercial Boilers, Steam Generators and Process Heaters; Amendments to the Manual of Procedures, Volume I, Chapter 5: Boiler, Steam Generator and Process Heater Tuning Procedure; Amendments to Regulation 3: Fees, Schedule R: Equipment Registration Fees; and Adoption of a CEQA Negative Declaration; seconded by Director Wagenknecht; carried by the following vote: 15-0-1-6 (Uilkema abstained; Bates, Brown, Garner, Kishimoto, Smith and Torliatt absent).

PRESENTATION

12. **Overview of the California Air Resources Board's Draft Scoping Plan Pursuant to AB 32, the California Global Warming Solution Act of 2006**
Staff provided an overview of the California Air Resources Board's draft Scoping Plan for implementing AB 32.

Deputy Air Pollution Control Officer, Jean Roggenkamp, gave a PowerPoint presentation on the AB 32 Draft Scoping Plan. Highlights of the plan include an approach for implementing AB 32, key elements such as a cap and trade program to begin in 2012, implementation of new and existing regulations for vehicle standards, fuel standards and goods movement, transportation measures which include Pavley I and II, low carbon fuel standard, vehicle efficiency, goods movement, and high speed rail.

Other measures include a renewables portfolio standard, energy efficiency, combined heat and power, water efficiency, local government actions and regional targets, high GWP gases, forests, recycling and agriculture measures. Additional measures under evaluation include vehicle feebates, congestion pricing, pay-as-you-drive insurance, industrial source measures, and indirect source rules for new development.

Measures with the biggest reductions are the cap and trade, clean car standards, energy efficiency in buildings and appliances, renewable energy portfolio, low carbon fuel standard and high global warming potential measures. She said potential Air District roles include enforcement, tracking relationships between GHG reductions and toxic and criteria pollutants, permitting new equipment and technologies, collaborating on outreach and education, assisting local government with Climate Action plans, assisting in developing and tracking regional GHG reduction targets, and providing CEQA guidance. She also distributed Table 2: Recommended Greenhouse Gas Reduction Measures which reveal recommended reduction strategies by sector and total 2020 reductions of MMTCO₂E and discussed the AB 32 schedule.

Directors confirmed with staff that Pavley I and II was named after its Legislator who moved the legislation forward, that more discussion would occur on the cap and trade issue which would be brought back to the Climate Protection Committee, and that the 1990 target year dates back to the Kyoto Protocol as a baseline. The Board thanked Ms. Roggenkamp for her presentation.

CLOSED SESSION

13. Closed Session with Air District's Labor Negotiators
(Government Code § 54957.6(a))

Agency Negotiators: Jack P. Broadbent, Executive Officer/APCO
Michael Rich, Human Resources Officer

Employee Organization: Bay Area Air Quality Management District
Employees' Association, Inc.

District Counsel reported that the Board had met in Closed Session and provided direction to staff.

OTHER BUSINESS

14. Report of the Executive Officer/APCO

Mr. Broadbent reported on 2008 ozone exceedances, stating the Air District had an additional exceedance of the 8-hour standard; since the July 9th Board meeting, the 8-hour national ozone standard was exceeded on one day (July 9) and the 24-hour national PM_{2.5} standard was exceeded on two days (July 9 and 10).

Since July 10th, inland temperatures have generally been near normal. Onshore flow has kept the air well mixed and has prevented ozone from building up. PM levels have been in the Moderate category on 75% of the days. The high frequency of PM in the Moderate category is probably due to wildfires. And, the outlook for the next two weeks shows continued onshore flow and near normal inland temperatures. With most of the fires coming under containment, it is not likely that the Bay Area will experience unhealthy levels of particulate matter.

In answer to questions of Directors, Mr. Broadbent further discussed thresholds and noted that EPA's guidelines are being developed and most likely will be issued once the Administration changes; to date there have been 11 PM health advisories, 9 days over the 2.5 standard which is unusual, and in late June/July, there were days where there was high ozone and PM at the same time. Director Dunnigan requested the website link to view satellite photographs, and Mr. Kendall agreed to forward the link to the entire Board.

15. Chairperson's Report

Chair Hill reported that the ARB adopted a new Rule in California last week which affects ships. He said there are 11,000 Ports of Call which create 20% of the statewide diesel PM, 50% of Sox and 70% NOx. The Rule adopted requires all ships coming in 24 miles out off the coast to change to a fuel which will reduce emissions by 80-90% of the requirement.

He further reported that the Air and Waste Management Association, People to People in India, is scheduled for December 9-18, 2008. Program tuition is \$5,000 and the Board's policy limits the expenditure to \$2,500. He requested staff forward the information on the event to the entire Board.

Chair Hill canceled the regular Board meetings of September 2nd and 17, stating the next regular Board meeting would be held on October 1, 2008.

16. Board Members' Comments - None

17. Time and Place of Next Meeting – 9:45 a.m., Wednesday, October 1, 2008 - 939 Ellis Street, San Francisco, CA 94109

18. Adjournment - The meeting adjourned at 11:20 a.m.

/s/ Lisa Harper
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 19, 2008

Re: Board Communications Received from July 30, 2008 through September 30, 2008

RECOMMENDED ACTION:

Receive and file.

DISCUSSION

A list of Communications directed to the Board of Directors' received by the Air District from July 30, 2008 through September 30, 2008, if any, will be at each Board member's place at the October 1, 2008, Regular Board meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANGEMENT DISTRICT

Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 4, 2008

Re: District Personnel on Out-of-State Business Travel

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the following District personnel have traveled on out-of-state business.

The out-of-state business travel summarized below covers the period from August 1 – August 31, 2008. Out-of-state travel is reported in the month following travel completion.

DISCUSSION

Dick Duker, MQA Manager, attended EPA AQS Conference in Milwaukee, WI August 19-22, 2008.

Mark Stoelting, Principal Air / Met Monitoring Specialist, attended EPA AQS Conference in Milwaukee, WI August 19 - 22, 2008

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Linda J. Serdahl
Reviewed by: Jack M. Colbourn

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

AGENDA: 4

To: Chairperson, Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 15, 2008

Re: Report of Division Activities for the Months of April 2008 – June 2008

ADMINISTRATION AND INCENTIVES DIVISION - J. COLBURN, DIRECTOR

Budget Development for Fiscal Year 2008-09

Budget development for Fiscal Year 2008-09 was completed and approved by the Board of Directors on June 4th, 2008.

Third Quarter Financial Results for 2007-08

The Third Quarter Financial Results for 2007-08 were presented to the Committee on April 23, 2008.

Grant Funding

The District received approximately \$213,000 for the Bio Watch Grant to provide monitoring services within the District area.

County Revenue

The District is in the process of receiving the Second installment of the property taxes.

Auditor Selection

Staff reviewed three (3) proposals to provide audit services under a Master Services Agreement for FY 08/09. Division staff interviewed two of the firms with the highest ranking proposals. The Executive Committee accepted staff's recommendation to select Maze & Associates at the June 11, 2008, Committee meeting. This recommendation was later approved by the Board of Directors on July 9, 2008.

Green Business

- The Bay Area Air Quality Management District became the first government agency to be certified as a “Green Business” in San Francisco. On Tuesday, April 22, 2008 the City and County of San Francisco publicly recognized the District’s efforts to conserve resources, prevent pollution and minimize waste and awarded the District Green Business designation.
- The Division announced the new composting program on DATE. Recycling and composting program progress will be tracked and reported to as part of calculating the District’s carbon footprint.

Carl Moyer Program:

- Closed call for Year 10 Projects on Friday, April 4, 2008. Received 173 applications, 55 off-road/agricultural, 4 locomotive and 114 marine or on-road projects.

Lower Emission School Bus Program:

- Audit project summaries for Moyer submitted to ARB, April 22, 2008.

TFCA:

Regional Fund:

- On April 2, 2008 the Mobile Source Committee approved TFCA Regional Fund Policies and Evaluation Criteria for FY 08/09, along with an allocation of \$1million for vehicle-based advanced technology demonstration projects.

Program Manager Fund:

- Staff hosted a meeting of the Congestion Management Agencies to discuss administrative costs and program schedule, May 29, 2008.

Bicycle Facility Program:

- Bicycle Facility Program call for projects went out on April 30, 2008.

Goods Movement Bond:

- Submitted Goods Movement Program funding application to ARB requesting \$31.6 million, including \$18.5 million for non-port trucks, \$6 million for port trucks, \$4.1 million for harbor craft and \$3 million for locomotive projects.

Vehicle Buy Back Program:

- Staff attended BAR/ARB Voluntary Accelerated Vehicle Retirement (VAVR) Task Force Meeting on Friday May 23, 2008.

Other Grants:

- Sent out MOU to Placer APCD for pilot project to capture emissions from locomotives in rail yards.

COMPLIANCE AND ENFORCEMENT – K. WEE, DIRECTOR**Enforcement Program**

The Tesoro Refinery started up the newly installed delayed coker on May 1, 2008 which was the final compliance requirement for the 2005 Conditional Order of Abatement against the Coker #5 Boiler. After staff verified that the #5 Boiler was permanently dismantled the Abatement Order was terminated with the Hearing Board.

Staff met with Evergreen Oil Inc. representatives on June 2 to discuss their operations and compliance issues with regard to odors and Notices of Violation issued for causing several public nuisances. Evergreen Oil in Newark re-refines waste oil and is in the process of expanding their operation.

Staff participated in a multi-media inspection on June 8, 2008 at the West Contra Costa Sanitary Landfill. The inspection included the California Integrated Waste Management Board (CIWMB), Regional Water Quality Control Board (RWQCB), and the Local Enforcement Agency (LEA). Another multi-media inspection was conducted on April 8, 2008 in Pittsburg. This inspection included representatives from the City of Pittsburg Police Department, City of Pittsburg Code Enforcement, and other local, county and state agencies.

Staff met with a representative from Franklin Fueling Systems (FFS) on April 2, 2008 to discuss the progress of the Healy Model 900 vapor recovery nozzle retrofit program. In 2007, these nozzles were installed with manufacturing defects that caused inadequate recovery of gasoline vapors during refueling.

Compliance Assistance Program

Staff met with representatives of the Bayview Hunters Point community on April 15, 2008 at the Grace Tabernacle Church in Hunters Point to discuss the community's concerns about the Lennar BVHP redevelopment project and the naturally-occurring asbestos dust mitigation plan.

Staff produced five (5) Compliance Advisories regarding: Mandatory restrictions on refinery and chemical plant operations during high ozone air pollution days; new fee schedule for asbestos renovation and demolition notifications; New Nitrogen Oxide and Carbon Monoxide emission limits from stationary internal combustion engines; and Enhanced Vapor Recovery Phase II deadlines for retail and non-retail gasoline stations.

Staff participated in the monthly Trucker Work Group Meeting at the Port of Oakland on April 8, 2008 to discuss diesel particulate matter reductions. Staff met with the Northridge Apartments management in Pleasant Hill on the asbestos demolition & renovation requirements following a fire that damaged several units.

Staff attended the CAPCOA vapor recovery committee meeting in Sacramento on April 16, 17, and 18, 2008. On April 15, 16, 23, 29, and June 3, 2008 staff assisted CARB with outreach efforts for Phase II Enhanced Vapor Recovery (EVR), which will be required at all gasoline stations by April, 2009. The outreach meetings were held in Hayward,

Rohnert Park, Walnut Creek, Antioch, and Oakland, respectively.

Three (3) staff members were temporarily assigned to the Grants Program Section to assist with outreach and verification. Translation from the Mandarin and Spanish languages was provided for Division activities during the period.

Compliance Assurance Program

Staff finalized evaluation of three (3) project-specific Flare Minimization Plan (FMP) updates for Chevron and Tesoro and met with WSPA and refinery representatives to clarify and discuss the submission of the Annual FMP updates due to be submitted on July 16, 2008. Staff updated and posted April 08 flare data and graphs to the District website.

Staff attended the Contra Costa Community Awareness and Emergency Response (CAER) meeting on April 29, 2008 to discuss the upcoming facility drills. Each refinery and several chemical plants have been scheduled for various drills that will improve the notification process.

Staff assisted first responders at the Ashland Chemical plant's loading rack fire on June 4, 2008 in Fairfield. Staff took ambient air samples and used the GasFinder infrared video camera to assist the Fairfield Fire Department with identifying the remaining damaged cargo tankers that contained chemical products. Only one compound, ethyl acetate, was measured at elevated levels, but the levels were well below any health concern triggers. Staff responded to a spill from a crude oil pipeline operated by Plains All American Pipelines that occurred on Marina Vista Avenue between Shell Avenue and Highway 680 in Martinez on June 24, 2008. Staff coordinated with Contra Costa Hazmat, Martinez Police, California Highway Patrol, State Fire Marshall, Union Pacific Railroad and Plains All American. Incident reports for both investigations were posted to the website.

Staff participated in a joint investigation with EPA Region 9 at the Alco Metal and Iron Salvage Yard located in Hayward to investigate whether proper asbestos abatement and notification had been performed in the demolition of several rail cars. EPA is coordinating Mendocino County, where the demolition occurred.

Operations

Staff held nine (9) public information meetings in April on the proposed, draft Regulation 6, Rule 3: Wood-burning Devices in the following locations: Concord, Livermore, Napa, Novato, Oakland, Redwood City, San Jose, Santa Rosa and Vallejo. Staff finalized the draft Environmental Impact Report and draft Staff Report, met with affected parties on rule requirements, responded to comments on the draft documents, revised documents and associated rules in preparation for the Public Hearing scheduled for July 9, 2008. Staff presented two papers "*BAAQMD Experience with Petroleum Refinery Flare Minimization Plans*" and "*Particulate Matter Data Collection Study*" and one panel discussion "*Emission Control Issues in the Petrochemical and Refining Industries*" at this years A&WMA conference in Portland, Oregon.

The 2nd quarter In-Service Training sessions were conducted in April. Visible Emissions

Evaluation re-certifications for inspectors were conducted in April and June. The District hosted CARB training on Incinerators in June.

(See Attachment for Activities by County)

ENGINEERING DIVISION – B. BATEMAN, DIRECTOR

Permit Activity Summary

In the second quarter of 2008, 763 new permit applications were received: 317 standard New Source Review applications, 406 Gasoline Dispensing Facility applications, 38 Title V applications, and 2 Banking applications. During this period, the Division issued 519 Authorities to Construct and 21 Permits to Operate.

Engineering Division Permit Activity – 2 nd quarter 2008			
Annual update packages started	945	Permits to Operate issued	121
Annual update packages completed	1805	Exemptions	41
Total update pages entered	1330	Authorities to Construct denied	0
New applications received	763	New Companies added to Data Bank during the 1 st quarter 2008	210
Authorities to Construct issued	519		

Toxics Program

Staff completed a total of 110 Health Risk Screening Analyses (HRSAs) during the quarter. The majority of these HRSAs were for diesel engine emergency generators, but also included soil remediation projects, gasoline stations, landfills, and crematories. Staff also completed work on an HRSA for a major modification to the Chevron Refinery in Richmond.

Staff completed review of the AB-2588 Health Risk Assessment (HRA) for Pacific Steel Castings Company (PSC) in Berkeley. PSC will revise the HRA to correct several deficiencies identified by the public, the District, and OEHHA.

Staff participated in the CAPCOA Engineering Symposium and CAPCOA's TARMAC (Toxics and Risk Management) Committee. TARMAC has been active reviewing ATCMs (e.g., diesel engines), AERMOD and HARP modeling issues, and developing new health risk assessment guidelines for CEQA and Air Toxics Hot Spots Programs.

Title V Program

In the second quarter of 2008, staff completed the following Title V permit actions: 1 Renewal Issued, 3 Minor Revisions Proposed, 3 Minor Revisions Issued, 1 Initial Permit Public Noticed, and 1 Initial Permit Issued.

Staff responded to a Title V program evaluation questionnaire from EPA Region IX.

Staff worked closely with the five Bay Area refineries in the preparation of their Title V renewal applications. All of these applications were submitted prior to the May 31, 2008 deadline. The District has deemed each application to be administratively complete.

Permit Evaluation Program

The five Bay Area refineries are potentially subject to the Regional Haze standard in 40 CFR 51, Subpart P. Staff collected data from these facilities so that ARB can model the visibility impacts. After ARB completes the modeling and draws conclusions about the visibility impacts of each refinery, the Air District will need to evaluate whether additional controls are required to mitigate any significant impacts.

Staff continued to review and evaluate Chevron's Energy and Hydrogen Renewal Project. Staff prepared a revision to the criteria and toxic air contaminant emission estimates for the project based on updated project information. The HRSA for the project was also re-run based on revised emission estimates. The City of Richmond staff and CBE have requested that Air District staff review air emissions-related topics raised during the EIR review process. Staff attended Richmond Planning Commission Meetings on April 10, 2008 and June 5, 2008 on certification of the project's EIR, and answered questions regarding air quality issues. Staff was asked to testify at these hearings. Staff is continuing to finalize permit conditions with both Chevron and Praxair and continues to meet with both parties at least once every two weeks in order to achieve this goal.

The CEC issued the Presiding Member's Proposed Decision on June 20, 2008 for the proposed Eastshore Energy Center in Hayward. The Committee recommended that the Energy Commission deny certification of the proposed project due to aviation safety and several other related issues.

In November 2006, PG&E acquired from Mirant Corp., equipment, permits, and contracts to a partially completed 530 MW combined-cycle power plant in Antioch named the Gateway Generating Station (GGS). The CEC originally certified the GGS project on May 30, 2001. PG&E has proposed some permit modifications that include an increase in annual CO emissions, an increase in the commissioning emissions, increasing the duration of startup times, and a request to raise the ammonia slip limit. The District's Engineering Evaluation for the proposed amended Authority to Construct and Draft PSD Permit was completed in early June. The public comment period for the document started on June 12, 2008 and will close on July 14, 2008.

Mirant Marsh Landing, LLC submitted a Permit Application on June 26, 2008 for a 930-MW natural gas-fired facility known as the Marsh Landing Generation Station (MLGS). The project would be located adjacent to the existing Contra Costa Power Plant in unincorporated Contra Costa County, near the City of Antioch.

A permit application was received from Mirant Corp. for conversion of the existing oil-fired peaking turbines at their Potrero Power Plant in San Francisco to dual fuel (natural gas as primary fuel and oil as backup fuel), with emissions controlled with Selective Catalytic Reduction and Oxidizing Catalyst. The project is intended to replace the

proposed 145-MW San Francisco Electric Reliability Project, and the proposed 48-MW San Francisco International Airport Combustion Turbine Project.

Pacific Steel Casting (PSC) recently submitted a permit application to improve emissions collection at the S-2 Pouring and Cooling Area at their Plant 1. The proposed project will entail reconfiguring three ceiling vents directly above the main floor area. One vent will be permanently closed, and the other two vents will be fitted with collection hoods, and ducted to an existing baghouse and carbon adsorption unit. In addition, PSC is proposing to add additional walls above the line-A deck area to improve containment of emissions, thereby improving the collection efficiency.

Permit Evaluation staff continue work to implement the ARB stationary diesel engine ATCM and portable diesel engine ATCM. The Division continues to receive many diesel engine permit applications. The Diesel Engine Workgroup met several times to resolve regulatory issues.

The Permit Evaluation Section has continued to actively participate in the Air District's Flare Workgroup. The Flare Workgroup is currently reviewing one Interim FMP update (Chevron Renewal Project), has approved the Tesoro Coker Flare Interim FMP update, and the Chevron/Praxair Hydrogen Plant update.

In early June, an EPA Audit team conducted inspections and a review of Tesoro Refinery and Shell Refinery documents and data to determine compliance with the provisions of the EPA/Department of Justice Consent Decrees. Representatives from the Air District's Engineering and Compliance and Enforcement Divisions were invited to participate. The review was conducted in four stages: Process Overview and Review (Coker, FCCU, Reformer, Acid Plant and Flare System), Document Review (documents provided in response to a Section 114 letter), Plant Visit, and Unit Leader Interviews (Coker and Flare). EPA will compile its findings and send Tesoro and Shell letters summarizing the findings and conclusions.

Engineering Projects Program

Staff continues to develop policies, procedures, and use-cases as part of the Business Process Improvement phase of the Production System Project. Staff also made progress in exploring outside document archiving service options.

Staff presented Air District diesel engine requirements at the Critical Facilities Round Table Meeting at the Pacific Energy Center in San Francisco. Staff also met with several companies exploring possible biodiesel conversion of standby diesel engines for utility demand response programs.

The Engineering Division Policy & Procedure Manual was officially made public on the Air District's website. There is also an internal version available to staff that include policies that are not of interest to the public.

Staff attended training classes on CEQA and Greenhouse Gas Verifier / Audits.

LEGAL DIVISION – B. BUNGER, DISTRICT COUNSEL

The District Counsel's Office received 185 Violations reflected in Notices of Violation (NOVs) for processing. Mutual Settlement Program staff initiated settlement discussions regarding civil penalties for 134 Violations reflected in NOVs. In addition, Mutual Settlement Program staff sent 7 Final 30 Day Letters regarding civil penalties for 11 Violation(s) reflected in NOVs. Finally, Settlement negotiations by Mutual Settlement Program staff resulted in collection of \$47,984 in civil penalties for 73 violations reflected in NOVs.

Counsel in the District Counsel's Office initiated settlement discussions regarding civil penalties for 86 Violations reflected in NOVs. Settlement negotiations by counsel in the District Counsel's Office resulted in collection of \$1,656,166 in civil penalties for 124 violations.

(See Attachment for Penalties by County)

OUTREACH AND INCENTIVES – L. FASANO

Spare the Air, Every Day – For 2008, the *Spare the Air* program has expanded to a year-round campaign. Staff is working to integrate climate protection messages and include partners to sponsor a broad range of incentives such as free transit, teleconferencing, discounts on bike rentals and rewards to schools.

Production of TV, radio and print advertising is nearly complete. Staff is meeting with potential corporate partners to explore opportunities to expand the reach and resources of the campaign and provide a broad range of incentives such as free transit, teleconferencing, discounts on bike rentals and rewards to schools.

The Air District and MTC sponsored a free transit day on June 19. Ridership on BART reached an all-time high. Transit ridership overall was also up significantly from past free transit days (episodic). The free transit day went very smoothly with very few complaints from residents.

Public Information and Media

During the quarter, 864 print stories were published or aired on a variety of topics concerning the Air District, including: the residential wood smoke reduction rule, *Spare the Air* - free transit day and health advisories, health impacts of wildfires, and greenhouse gas emissions fees. During this period, hundreds of media calls were fielded, and more than 2,000 inquiries and requests for information were answered.

During the quarter, the Air District issued more than 30 press releases. Topics included *Spare the Air* free transit day and health advisories, the wood smoke regulation, greenhouse gas emissions fee, landmark settlement with Tesoro Refinery, \$18 million call for projects, and the Air District's commitment of \$10 million to clean up Port trucks.

The Air District was featured prominently in stories about smoke impacts from the Northern California fires for three weeks beginning the last week in June through July. District staff were interviewed daily on Bay Area radio and TV stations as well as numerous inquires from print media. More than 300 media hits were recorded in the three weeks of the fires and the smoke advisories.

The Air District sponsored the Oakland A's game against the San Francisco Giants, in Oakland on June 29, 2008 to promote the *Spare the Air, Every Day* campaign. Staff conducted public outreach at the KGO Live event on May 3, 2008. The Air District's Executive Officer presented in a panel discussion with fitness guru Joannie Greggains, on effects of particulate pollution on health.

Community Outreach

Proposed Wood-burning Device Rule Outreach – Staff coordinated outreach for the 16 community meetings on the proposed wood-burning device rule. Staff notified approximately 1,000 individuals, 200 civic, environmental, and health organizations in the Bay Area. In addition, staff efforts resulted in seventeen cities and one county posting the notice of the community meetings on their websites. This included the cities of Calistoga, Gilroy, Hercules, Livermore, Los Gatos, Martinez, Mill Valley, Moraga, Napa, Piedmont, Rohnert Park, Sebastopol, Sonoma, Sunnyvale, South San Francisco and Vallejo. Seven newspapers posted notice of the meetings in their community calendars.

San Jose Collaboration Meeting – Planning and Outreach staff met with Cathy Kenny, the City of San Jose's Residential Communications Manager, and Kerrie Romanow, the City of San Jose's Assistant Director of the Environmental Services Department, to discuss collaborative efforts to enhance public health through common air quality goals between the agencies. A commitment was made to work on regional climate change efforts, diesel particulate mitigation, and increasing outreach to communities in San Jose to participate in clean air efforts.

West Oakland Truck Count Meeting – Staff met with members of the West Oakland Toxics Reduction Collaborative (WOTRC) to discuss the District's West Oakland Truck Count Project. Staff finalized contract details, truck count locations, and assigned task roles and responsibilities.

Grants Outreach – Staff scheduled six workshops in the impacted areas identified by the CARE program to discuss program guidelines and application requirements for the Transportation Fund for Clean Air (TFCA) Program and the Goods Movement Program. These workshops will include an overview of the TFCA and Goods Movement programs, provide application assistance, and allow time for specific questions about the programs or applications. Staff is also arranging for written translation services in several languages.

Contra Costa Environmental Justice Resource Team – Staff attended the meeting in Richmond to provide an overview and application information for the Transportation Fund for Clean Air (TFCA) Program and the Goods Movement (Infrastructure Bond) Program. Following a presentation by Grants & Incentives staff, the team received an update on the North Richmond Truck Re-Routing Project and discussed the recent legislative visit to California State Senator Torlakson's office.

Climate Protection: Everybody Profits IV – Staff participated in this annual event to assess progress toward CO2 emissions reductions set by cities in Sonoma County. Youth who participated in the District-funded eCO2commute program spoke at the conference. In addition staff interacted with wine industry representatives and learned of their efforts to reduce greenhouse gases.

San Jose Resource Team Collaboration Meeting – Staff met with Arleen Arimura, the City of San Jose's Business Communications Manager, and Carolina Camarena, the City of San Jose's Marketing and Public Outreach Representative to discuss outreach efforts in San Jose. As part of the scoping process for the formation of a San Jose Resource Team, staff is gathering information about City of San Jose's priorities and key community leaders.

TFCA / Goods Movement Workshop – Outreach and Grants staff attended the workshop in West Oakland to provide an overview of the grant incentives available to owners of heavy-duty diesel engines. Outreach staff collaborated with Port of Oakland representatives to ensure the success of this workshop.

Climate Clock Colloquium – Staff was invited to attend the colloquium at San Jose State University where various leaders, researchers, curators and artists to discuss and inform the global public art enterprise, The Climate Clock Initiative. The colloquium included presentations by seven semi-finalists, artist-led teams and provided information to attendees about the development of a site-specific proposal for an artwork aimed at changing individual and public thinking and behavior around the issue of climate change.

255 Berry Street Neighborhood Meeting – Staff participated in a meeting between residents at 255 Berry Street (adjacent to the Caltrain Station at 4th and King) and representatives of Caltrain concerning idling and particulate pollution from the Caltrain Station. Staff has worked with this group to provide an understanding of diesel particulate emissions as it relates to the community located in the South East section of San Francisco, the CARE mitigation plan and the District's grant programs.

Climate All Stars Conference Planning Meeting – Staff met with representatives of the Climate Protection Campaign, the Metropolitan Transit Commission, Napa County Transportation Planning Agency, ICLEI and the Breakthrough Institute to begin preliminary planning for the second annual Climate All Stars Conference which is to be held on November 6, 2008 at Saint Mary's Cathedral in San Francisco. The meeting focused on the agenda, speakers and goals of the conference.

Education Outreach – Staff conducted outreach and spoke of the importance of air quality to students at schools and events throughout the Bay Area. Staff spoke to students about ozone, particulate matter and climate-related pollutants and encouraged students to consider opportunities for careers and school-based projects that would reduce air pollution.

- **Leadership Public School in Hayward**
- **Oakland High School**
- **Arbor Day Youth Event**
- **Marriot Foundation “Bridges from School to Work”**
- **Novato Charter School**
- **Environmental Awareness Day San Francisco**

PLANNING DIVISION – H. HILKEN, DIRECTOR
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Community Air Risk Evaluation (CARE) Program

Staff hosted a series of community meetings in Richmond, San Francisco, San Leandro, West Oakland, Concord, and San Jose to discuss the CARE Mitigation Action Plan and grant funding opportunities. Staff also met with members of the California Council for Environmental and Economic Balance and attended a roundtable discussion group convened by Alameda County Supervisor and Air District Board Member Nate Miley to present and discuss the CARE Mitigation Action Plan. Staff presented an update on the West Oakland Health Risk Assessment to the Board of Directors and to the Advisory Council Public Health Committee. Key findings of the HRA were that residents of West Oakland are exposed to diesel particles at concentrations nearly a factor of three higher than the Bay Area average. Staff met several times with members of the Bay Area Environmental Health Collaborative to discuss the proposed resolution to reduce cumulative impacts from toxic air contaminants in the Bay Area. Staff participated in the introductory meeting of the Cumulative Impacts and Precautionary Approaches (CI/PA) Work Group Meeting at Cal/EPA. The CI/PA Work Group is an external stakeholder group created by Cal/EPA for the purpose of providing early and ongoing advice on the development of guidance to assess both cumulative impacts from environmental pollutants and precautionary approaches to environmental decision-making. Staff attended a meeting of Public Health Officers held at the Alameda County Department of Public Health to discuss the findings of the West Oakland health risk assessment.

Air Quality Planning Program

The Air District won an EPA Region 9 Environmental Achievement Award for the Air District's Climate Protection Grant Program. Staff processed all 52 contracts for the Climate Protection Grant Program. Staff co-hosted a climate action planning workshop with ICLEI for Contra Costa County staff, and made a presentation on addressing climate change in general plans. Staff oversaw preparations for implementation of the climate protection curriculum for the 2008-2009 school year, including contractor selection and oversight, revisions to the curriculum, and teacher recruitment. Staff participated in air district, OPR, and ARB discussions of development of statewide greenhouse gas CEQA significance thresholds. Staff continued tracking AB 32 implementation including early action measures, Scoping Plan workshops and related AB 32 implementation work group

meetings.

Staff further defined the scope, multi-pollutant methodology, and work plan for the Bay Area 2009 Clean Air Plan. Staff continued to collaborate with MTC on preparation of the T-2035 RTP update, including participating in the Partnership Ad Hoc Committee on developing performance measures to evaluate projects submitted to MTC for funding. Staff continued to participate in the FOCUS (Focusing our Vision) regional smart growth initiative in collaboration with ABAG, MTC, and BCDC, and served on the FOCUS Station Area Planning Grant review committee. CEQA comments were submitted on the San Rafael Quarry and Roblar Road Quarry in Sonoma County and the Valero Refinery Improvement Project in Solano County. Staff continued participation in the Alameda County Public Health Department General Plan Workgroup.

Rule Development Program

Staff hosted a public workshop on proposed amendments to Regulation 9-7: Nitrogen Oxides and Carbon Monoxide from Industrial, Institutional and Commercial Boilers, Steam Generators and Process Heaters in April, and prepared documents for a public hearing for this rule, along with concurrent amendments to Regulation 2-1: Permits and the Manual of Procedures scheduled for July 30, 2008. Draft amendments and workshop reports were developed for Regulation 8, Rule 20: Graphic Arts Operations for workshops to be held on July 14 and 15, 2008. In development of amendments for rules concerning gasoline bulk terminals, bulk plants and delivery vehicles and wood coating operations, staff visited Valero Bulk Terminal in Benicia, and RA Jensen Manufacturing and Segale Brothers Cabinetry. Staff also met with Conoco Phillips and Shell refineries to discuss water sampling locations and methods to help develop Further Study Measure FS-13: Wastewater from Coke Cutting Operations.

Research and Modeling Program

Staff supported District's wood burning rule development effort by providing modeling information on the impact of wood burning on Bay Area's PM_{2.5} levels; staff also drafted a report summarizing the contribution of major sources on Bay Area's PM_{2.5} levels. In support of the Air District's CARE program, staff made significant progress in simulating regional ambient toxics concentrations using the CAMx model in order to estimate the annual average toxics concentrations throughout the Bay Area. Staff presented two technical papers at the Air and Waste Management Association's Annual Conference and Exhibition; the papers discussed the effects of climate change on Bay Area's ozone and the status of the District's PM_{2.5} modeling. Staff updated the Bay Area's PM_{2.5} attainment status based upon the most recent data (2005-2007) and analyzed the Bay Area's ozone attainment status for the new federal 8-hour standard (75 ppb). Staff assisted the Grants Section in developing a methodology to rank and award funding to projects under the TFCA program. Staff participated in activities of the Central California Ozone Study and the California Regional Particulate Air Quality Study.

Special Projects

Staff continued work on preparing the Base Year 2005 emission inventory and refining future year's emissions and writing the methodology document. Staff continued working

on the Bay Area GHG emissions inventory and responding to questions from staff in other Divisions. Staff completed the District's internal 2007 GHG inventory and submitted it to the California Climate Action Registry. Staff continued participating in ARB conference calls regarding AB-32. Staff supported the CARE Program and the Research and Modeling Section by preparing gridded emissions files for SO₂, CO and NO_x emissions and providing 2005 Point Source and Toxic Emission data. Staff reviewed the draft Bay Area Seaport Emissions Inventory prepared by consultants and attended steering committee meetings.

TECHNICAL DIVISION – G. KENDALL, DIRECTOR
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Air Quality

During the second quarter of 2008 ozone levels exceeded the revised 75 ppb 8-hr national standard on four days. EPA lowered the 8-hr national ozone standard from 0.08 ppm (84 ppb) to 75 ppb and the revised standard became effective on May 27, 2008. The State 70 ppb 8-hr ozone standard was exceeded on 8 days, and the State .09 ppm (95 ppb) one-hr ozone standard was exceeded on three days.

Three of the four exceedances of the ozone national standard, and four of the eight State exceedances, occurred at the end of June when precursor emissions from wildfires outside the Bay Area exacerbated the ozone levels. It is uncommon to have ozone exceedances in the Bay Area when temperatures are in the 80s and winds are onshore, as occurred on those days, except when ozone levels are impacted by precursor emissions from wildfires. Particulate levels were also high on those days; continuous PM_{2.5} monitors recorded levels above the 24-hr national standard on each of the four ozone exceedance days at the end of June.

Two PM_{2.5} exceedances were recorded in June by filter-based monitors due to the wildfires. Because the monitors are operated on either a 1 in 3 or 1 in 6 day schedule from April to September, fewer exceedances were recorded by these monitors than by the continuous PM_{2.5} monitors that operate everyday. Wildfires in northern California continued into July, but particulate levels at the end of June dropped to the Moderate AQI levels in the Bay Area as the sea breeze returned.

Air Monitoring

28 air monitoring stations were operating during the month of March 2008, with equipment running on routine, EPA-mandated schedules that included increased wintertime sampling for PM_{2.5} at designated stations. On April 1, 2008, the PM_{2.5} sampling frequency was reduced from everyday to 1 in 3 or 1 in 6 day per EPA-mandated schedules. In addition, six ozone monitors began operating on April 1, 2008 after being shut down on October 1, 2007, during the low ozone season, as allowed by a waiver granted by EPA. All 31 air monitoring stations were operating from April 1 through June 30, 2008.

Meteorology and Forecasting

First quarter 2008 air quality data were quality assured and entered into the EPA Air Quality System (AQS) database. The 2007 Monitoring Network Plan was prepared and submitted to EPA. Staff continued to make daily air quality and burn forecasts. The spring audit of the Air District meteorological network was completed. A prototype Data Management System was installed at the District that will become the Technical Division's air quality data management system. Funding for the development was provided by a \$279,000 EPA National Environmental Information Exchange Network (NEIEN) Challenge Grant and an additional \$100,000 grant from EPA Region 9. Continued development will be funded by the Air District, South Coast AQMD, AirNOW, AirNOW International, and the California Air Resources Board.

Quality Assurance

The Quality Assurance (Q/A) Group conducted regular, mandated performance audits on 90 analyzers at 30 Air District monitoring stations. A startup audit was performed on the ConocoPhillips Ground Level SO₂ Monitor at Cummings Skyway which had been offline since July 2007 due to vandalism problems.

The Q/A staff also audited the Hydrogen Sulfide (H₂S) and Sulfur Dioxide (SO₂) monitors at the Shell Refinery and the ConocoPhillips Refinery Ground Level Monitoring (GLM) networks. All of the GLM monitors passed the audit.

Q/A staff attended Federal Equivalent Method continuous PM_{2.5} monitor training at the California Air Resources Board in Sacramento. QA staff participated in the Human Resources physical demands study. Staff attended the one-day Air Monitoring Technology Information Center (AMTIC) meeting in San Francisco.

Laboratory

In addition to routine ongoing analyses, two ambient air samples taken in the vicinity of the June 4, 2008 chemical fire at the truck loading facility at Ashland Chemical, Fairfield were analyzed for acetone, xylenes, benzene, toluene, carbon monoxide, carbon dioxide, methane and ethyl acetate.

Two gas oil samples from Conoco Phillips Refinery, Rodeo were analyzed for true vapor pressure, percent sulfur, specific gravity and initial boiling point.

Four coating samples were analyzed for the CARB VOC method development project as requested by Dane Jones of the Dept. of Chemistry and Biochemistry, 1 Grand Ave., Cal Poly State University, San Luis Obispo, CA 93407.

The laboratory analyzed one Pepset binder sample from Pacific Steel Casting, Berkeley, for VOC and phenol content.

The lab also analyzed four petroleum coke samples from Hanson Permanente Cement, Cupertino, for percent moisture and percent volatiles.

Source Test

Ongoing Source Test activities during April, May, and June of 2008 included Continuous Emissions Monitoring (CEM) Field Accuracy Tests, source tests, gasoline cargo tank testing, and evaluations of tests conducted by outside contractors. The ConocoPhillips Rodeo Refinery's open path monitor monthly reports for March, April, and May were reviewed. The Source Test Section continued to participate in the Air District's Rule Development efforts and Business System Analysis for the new production system.

STATISTICS

Administrative Services:**Accounting/Purchasing/Comm.**

General Checks Issued	1,553
Purchase Orders Issued	773
Checks/Credit Cards Processed	4,291
Contracts Completed	95

Executive Office:

Meetings Attended	140
Board Meetings Held	5
Committee Meetings Held	11
Advisory Council Meetings Held	8
Advisory Council Committee Mtgs. Held	7
Hearing Board Meetings Held	5
Variances Received	5

Information Systems

New Installation Completed	27
PC Upgrades Completed	19
Service Calls Completed	659

Human Resources

Manager/Employee Consultation (Hrs.)	280
Management Projects (Hrs.)	280
Employee/Benefit Transaction	350
Training Sessions Conducted	3
Applications Processed	500
Exams Conducted	10
New Hires	15
Payroll Administration (Hrs.)	520
Safety Administration	130
Inquiries (voice/telephone/in-person)	1,300

Vehicle/Building Maintenance

Vehicle Services Completed	120
Requests for Building Services	325

Compliance and Operations Program

Asbestos Plans Rec'd	1,409
Coating and other petitions Evaluated	10
Open Burn Notifications Rec'd	575
Prescribed Burn Plans Evaluated	7
Smoking Vehicle Complaints Rec'd	4,114
Tank/Soil Removal Notifications Rec'd	37
Compliance Assistance Inquiries Rec'd	299
Green Business Reviews	16
Flare Notifications	45

Compliance Assurance Program

Industrial Inspections Conducted	2,453
GDF Inspections Conducted	541
Asbestos Inspections Conducted	454
Open Burning Inspections Conducted	62
Auto Body/Dry Cleaning Inspections Conducted	45

Engineering Division:

Annual Update Packages Started	945
Annual Update Packages Completed	1,805
Total Update Pages Entered	1,330
New Applications Received	763
Authorities to Construct Issued	519
Permits to Operate Issued	121
Exemptions	41
Authorities to Construct Denied	0
New Companies added to Databank	210

during the 2nd Quarter 2008

Outreach & Incentives Division:

Presentations Made	29
Responses to Media Inquiries	450
Press Releases	32
General Requests for Information	2,200
Visitors	30

STATISTICS (continued)

Compliance and Enforcement Division:**Enforcement Program**

Reportable Compliance Activity Investigated	158
Citizen Complaints Investigated	679
GDF Tags Issued	213
Violations Resulting in Notices of Violation	141
Violations Resulting in Notice to Comply	144
New Hearing Board Cases Reviewed	5

Technical Services:**2nd Quarter 2008 Ambient Air Monitoring**

Days Exceeding Nat'l 24-hour PM _{2.5} Std	2
Days Exceeding Nat'l 24-hour PM ₁₀ Std	0
Days Exceeding Nat'l 24-hour PM ₁₀ Std	1
Days Exceeding the Nat'l 8-hour Ozone Std	4
Days Exceeding the State 1-hour Ozone Std.	3
Days Exceeding the State 8-hour Ozone Std.	8

Ozone Totals, Jan.-Dec. 2008

Days Exceeding Nat'l 8-hour Ozone Std.	4
Days Exceeding State 1-hour Ozone Std.	3
Days Exceeding State 8-hour Ozone Std.	8

Particulate Totals, Jan.-Dec. 2008

Days Exceeding Nat'l 24-hour PM _{2.5} Std.	5
Days Exceeding the Nat'l 24-hour PM ₁₀ Std	0
Days Exceeding State 24-hour PM ₁₀ Std.	2

PM_{2.5} Winter Season Totals for 2007-2008

Days Exceeding Nat'l 24-hour PM _{2.5} Std.	7
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2nd Quarter 2008 Agricultural Burn Days

Apr.-June Permissive Burn Days - North	71
Apr.-June No-Burn Days – North	20
Apr.-June Permissive Burn Days – South	56
Apr.-June No-Burn Days – South	35
Apr.-June Permissive Burn Days – Coastal	72
Apr.-June No Burn Days – Coastal	19

Laboratory

Sample Analyzed	1,195
Inter-Laboratory Analyses	3

Technical Library

Titles Indexed/Cataloged	451
Periodicals Received/Routed	71

Source Test

Total Source Tests	228
Pending Source Tests	6
Violation Notices Recommended	5
Contractor Source Tests Reviewed	2,908

Continuous Emissions Monitoring (CEM)

Indicated Excess Emission Report Eval.	32
Monthly CEM Reports Reviewed	202
Indicated Excesses from CEM	14

Ground Level Monitoring (GLM)

Apr.-June Ground Level Monitoring SO ₂ Excess Reports	0
Apr.-June Ground Level Monitoring H ₂ S Excess Reports	5

These facilities have received one or more Notices of Violations
Report period: April 1, 2008 – June 30, 2008

Alameda County

Status Date	Site #	Site Name	City	Regulation Title
06/03/2008	C0055	Chevron #0289	Berkeley	Failure to Meet Permit Conditions
06/03/2008	A3590	City of Berkeley/Engr Div/Public Works	Berkeley	Solid Waste Disposal Sites
04/24/2008	S8728	Dent Pro Colors	Berkeley	Motor Vehicle & Mobile Equip Coating Operations
04/24/2008	A0703	Pacific Steel Casting Co-Plant #2	Berkeley	Public Nuisance, Failure to Meet Permit Conditions
06/03/2008	C9849	Foothill Chevron - Bedrock Oil, Inc	Hayward	Gasoline Dispensing Facilities
06/03/2008	C0138	7-Eleven #32734	Livermore	Gasoline Dispensing Facilities
06/03/2008	D0258	Vasco Petroleum	Livermore	Gasoline Dispensing Facilities
06/23/2008	C6476	ARCO Facility #00374 - Bee Pokpa	Oakland	Gasoline Dispensing Facilities
06/23/2008	C8826	Chevron Inc	Oakland	Gasoline Dispensing Facilities
05/29/2008	A6390	Evergreen Cemetery	Oakland	Parametric Monitoring & Recordkeeping Procedures
05/23/2008	A0030	Owens-Brockway Glass Container Inc	Oakland	Particulate Matter & Visible Emissions
06/03/2008	C7570	Park Boulevard 76	Oakland	Gasoline Dispensing Facilities
04/17/2008	C9120	SHORE ACRE GAS	Oakland	Gasoline Dispensing Facilities
05/13/2008	B8873	Castco	San Leandro	Authority to Construct, Permit to Operate
05/09/2008	B2032	Wheels America	Union City	Permit to Operate

Contra Costa County

Status Date	Site #	Site Name	City	Regulation Title
05/28/2008	B2967	TRC	Antioch	Failure to Meet Permit Conditions
04/08/2008	S7948	Painting by Ken	Clayton	Asbestos Demolition, Renovation & Mfg.
06/23/2008	C7876	ARCO	Concord	Gasoline Dispensing Facilities
04/24/2008	A0581	ST Shore Terminals LLC	Crockett	Gasoline Bulk Terminals & Gasoline Delivery Vehicles
05/05/2008	C1359	EGC Service Station	El Sobrante	Gasoline Dispensing Facilities
04/08/2008	C9477	Kay & Appian Express Mart & Gaso	El Sobrante	Gasoline Dispensing Facilities
06/09/2008	R2599	Gus Kramer	Martinez	Asbestos Demolition, Renovation & Mfg.
06/09/2008	A7034	Pacific Atlantic Terminals LLC	Martinez	Major Facility Review (Title V)
04/22/2008	F4406	Williams Tank Lines/Mike Stewart	Martinez	Gasoline Bulk Terminals & Gasoline Delivery Vehicles
04/24/2008	A0011	Shell Martinez Refinery	Martinez	Equipment Leaks, Sulfur Dioxide, Standards of Performance for New Stationary Sources
06/09/2008	B2758	Tesoro Refining and Marketing Company	Martinez	Major Facility Review (Title V)
04/16/2008	C9160	Alliance Mini Market	Pittsburg	Failure to Meet Permit Conditions
06/03/2008	D0448	Golden Gate Service Station	Pittsburg	Permit to Operate
04/16/2008	A3246	GWF Power Systems,LP (Site 5)	Pittsburg	Failure to Meet Permit Conditions
05/15/2008	S9031	Les Trapps Jr	Pittsburg	Asbestos Demolition, Renovation & Mfg.
06/16/2008	A0932	Quebecor World Pittsburg	Pittsburg	Failure to Meet Permit Conditions

These facilities have received one or more Notices of Violations
Report period: April 1, 2008 – June 30, 2008
Continued

Contra Costa County

Status Date	Site #	Site Name	City	Regulation Title
05/13/2008	A0010	Chevron Products Company	Richmond	Major Facility Review (Title V), Equipment Leaks, Wastewater (Oil - Water) Separators, NOx & CO from Boilers, Steam Generators & Process Heaters in Petroleum Refineries
06/23/2008	C9922	Do It Fluid	Richmond	Gasoline Dispensing Facilities
05/13/2008	A7234	L-3 Communications SSG-Tinsley	Richmond	Failure to Meet Permit Conditions
05/13/2008	A0745	Pacific Atlantic Terminals LLC	Richmond	Storage of Organic Liquids
04/16/2008	C8675	Richmond Gas & Food Mart	Richmond	Gasoline Dispensing Facilities
06/23/2008	C1620	Servo Gasoline & Snacks	Richmond	Gasoline Dispensing Facilities
04/29/2008	B5508	Wareham Property Group - EPA Lab	Richmond	Failure to Meet Permit Conditions
05/02/2008	N1032	KAG West, LLC	Richmond	Gasoline Bulk Terminals & Gasoline Delivery Vehicles
06/23/2008	A0016	ConocoPhillips - San Francisco Refinery	Rodeo	Standards of Performance for New Stationary Sources, Equipment Leaks, NOx & CO from Boilers, Steam Generators & Process Heaters in Petroleum Refineries
05/13/2008	A0508	Doctors Medical Center	San Pablo	Failure to Meet Permit Conditions
06/23/2008	C8906	Top Food and Gas	San Pablo	Permit to Operate, Gasoline Dispensing Facilities

Marin County

Status Date	Site #	Site Name	City	Regulation Title
06/12/2008	C5664	Kwick Serve-Corte Madera	Corte Madera	Gasoline Dispensing Facilities
06/06/2008	D0019	Fairfax Fuels, LLC (Valero)	Fairfax	Permit to Operate
06/06/2008	C8039	Fairfax Gas	Fairfax	Gasoline Dispensing Facilities
05/01/2008	C8069	Woodlands Gas & Mart	Kentfield	Failure to Meet Permit Conditions
05/07/2008	C8882	Grand Gas	Mill Valley	Gasoline Dispensing Facilities
06/03/2008	C9692	Strawberry Chevron Carwash	Mill Valley	Gasoline Dispensing Facilities

These facilities have received one or more Notices of Violations
Report period: April 1, 2008 – June 30, 2008
Continued

Marin County

Status Date	Site #	Site Name	City	Regulation Title
06/12/2008	D1945	Strawberry Chevron Mini Mart	Mill Valley	Gasoline Dispensing Facilities
06/03/2008	C1859	DeLong Avenue Shell #135673	Novato	Gasoline Dispensing Facilities
05/07/2008	C1843	Novato Shell - Shell Oil Products	Novato	Gasoline Dispensing Facilities
06/03/2008	C9950	Gas and Shop	San Anselmo	Authority to Construct, Permit to Operate
05/07/2008	D1978	Kunst Bros Painting	San Rafael	Authority to Construct, Permit to Operate
05/07/2008	C1952	Marinwood Chevron	San Rafael	Gasoline Dispensing Facilities
06/09/2008	C0420	Shatzki & Co	San Rafael	Permit to Operate, Authority to Construct
06/05/2008	F2683	Rinehart Oil Inc	San Rafael	Gasoline Dispensing Facilities

Napa County

Status Date	Site #	Site Name	City	Regulation Title
04/21/2008	S8610	Steve Simi	Napa	Open Burning
04/16/2008	Q4223	Crocker Vineyards	Saint Helena	Open Burning
04/16/2008	C8350	Nella Oil	Saint Helena	Failure to Meet Permit Conditions

San Francisco County

Status Date	Site #	Site Name	City	Regulation Title
05/05/2008	C7974	A&M Petroleum Services, Inc	San Francisco	Permit to Operate
04/23/2008	D0011	Ingleside Auto Station	San Francisco	Gasoline Dispensing Facilities
06/23/2008	C8982	Third Street Shell	San Francisco	Gasoline Dispensing Facilities
06/23/2008	C0805	Valero SS#7959	San Francisco	Gasoline Dispensing Facilities
05/09/2008	N4857	Void Site	San Francisco	Asbestos Demolition, Renovation & Mfg., Authority to Construct

San Mateo County

Status Date	Site #	Site Name	City	Regulation Title
05/29/2008	A0307	Greener Dry Cleaners	Millbrae	Perc & Synthetic Solvent Dry Cleaning Operations
06/03/2008	A1130	Peninsula Cleaners	Millbrae	Perc & Synthetic Solvent Dry Cleaning Operations
05/28/2008	C9024	El Camino Martco	Redwood City	Gasoline Dispensing Facilities

These facilities have received one or more Notices of Violations
Report period: April 1, 2008 – June 30, 2008
Continued

Santa Clara County

Status Date	Site #	Site Name	City	Regulation Title
06/23/2008	C6681	Cupertino Beacon	Cupertino	Gasoline Dispensing Facilities
06/12/2008	A0017	Hanson Permanente Cement	Cupertino	Continuous Emission Monitoring & Recordkeeping Procedures Major Facility Review (Title V) Major Facility Review (Title V)
05/08/2008	B1180	Calpine Gilroy Cogen,LP & Gilroy Energy Cntr LLC	Gilroy	
05/15/2008	C9249	Los Gatos Union 76	Los Gatos	Gasoline Dispensing Facilities
06/12/2008	S8092	George Chiala Farms (agricultural parcel)	Morgan Hill	Open Burning Failure to Meet Permit Conditions
06/12/2008	B3191	Mission Bell Mfg Inc	Morgan Hill	Gasoline Dispensing Facilities
05/15/2008	D0420	Valero Refining Co SS#7528	Mountain View	Failure to Meet Permit Conditions
05/29/2008	B5289	Valley Oil Company	Mountain View	Permit to Operate
05/15/2008	C9991	Palo Alto Chevron	Palo Alto	Failure to Meet Permit Conditions
05/08/2008	B1251	Boston Scientific Corporation	San Jose	Gasoline Dispensing Facilities
05/28/2008	D0901	Cal Gas & Diesel	San Jose	Asbestos Demolition, Renovation & Mfg.
06/23/2008	S5706	Chris Moradkhami ConocoPhillips #2611229-Chalal	San Jose	Gasoline Dispensing Facilities
05/05/2008	C0834	Enterprise	San Jose	
06/12/2008	B3289	Los Esteros Critical Energy Facility	San Jose	Continuous Emission Monitoring & Recordkeeping Procedures, Major Facility Review (Title V)
05/28/2008	C4239	Spartan Station	San Jose	Gasoline Dispensing Facilities
05/28/2008	D0387	Valero Refining Company	San Jose	Gasoline Dispensing Facilities
06/23/2008	C5339	San Martin Gas & Mart	San Martin	Gasoline Dispensing Facilities
05/15/2008	D0467	Valero Sunnyvale	Sunnyvale	Gasoline Dispensing Facilities

Solano County

Status Date	Site #	Site Name	City	Regulation Title
04/22/2008	S4979	Petro Chemical	Addison	Gasoline Bulk Terminals & Gasoline Delivery Vehicles
04/16/2008	S8560	SFD	American Canyon	Open Burning
06/25/2008	B2626	Valero Refining Company - California	Benicia	Standards of Performance for New Stationary Sources
05/19/2008	P5709	Alpha Petroleum Services Inc	Dixon	Gasoline Dispensing Facilities
04/17/2008	B2868	Duracite	Fairfield	Failure to Meet Permit Conditions
04/17/2008	S8571	Jimmy Jao	Fairfield	Open Burning
04/16/2008	F4301	Rodriquez, Lupes	Fairfield	Open Burning
05/06/2008	S8942	Sannipoli Corp.	Fairfield	Authority to Construct, Permit to Operate
05/28/2008	B7657	Lodi Gas Storage LLC	Suisun City	Failure to Meet Permit Conditions

These facilities have received one or more Notices of Violations
Report period: April 1, 2008 – June 30, 2008
Continued

Sonoma County

Status Date	Site #	Site Name	City	Regulation Title
04/16/2008	A1541	Stony Point Rock Quarry, Inc	Cotati	Emission Exceedence
06/12/2008	D0371	Grand Valero	Petaluma	Gasoline Dispensing Facilities
			Rohnert Park	Gasoline Dispensing Facilities
04/17/2008	C9139	Redwood Shell	Rohnert Park	Permit to Operate
04/16/2008	C0867	Save Mart Supermarkets		Authority to Construct, Permit to Operate
04/24/2008	S8727	Santa Rosa Stainless Steel	Santa Rosa	Open Burning
04/03/2008	S8146	Green Acres Home	Sebastopol	Open Burning
04/03/2008	S8299	Phillip Sittenauer	Sebastopol	Open Burning
04/24/2008	S8705	Homewood Winery	Sonoma	Gasoline Dispensing Facilities
06/03/2008	C0912	Rai Gas Station Inc	Sonoma	Gasoline Dispensing Facilities
06/06/2008	C8467	Redwood Station	Sonoma	Gasoline Dispensing Facilities

Closed NOV's with Penalties by County April 2008 – June 2008

Alameda

Site Name	Site Occurrence	City	Penalty Amount	# of Violations Closed	Month
Clear Channel Outdoor, Inc.	P9903	Oakland	\$500	1	June
Costco Wholesale	B3361	Livermore	\$4,000	1	April
Evergreen Oil, Inc.	A1190	Newark	\$3,000	3	June
James Nevels Painting	B7940	Fremont	\$500	1	June
Lido Auto Care Inc	C9280	Newark	\$1,000	2	April
Norton Lilly International	S7134	Oakland	\$4,000	1	June
Owens-Brockway Glass Container Inc	A0030	Oakland	\$26,000	3	May
Pacific Steel Casting	A0703	Berkeley	\$3,000	1	May
Restoration Management Company	S2727	Union City	\$1,000	1	May
Sunshine Cleaners	B1275	San Leandro	\$500	1	May
UNOCAL Service Station #256277	C8617	San Leandro	\$250	1	April
XOMA US LLC	B3685	Berkeley	\$250	1	April

Total Violations Closed: 17

Closed NOV's with Penalties by County
April 2008 – June 2008 (Continued)

Contra Costa

Site Name	Site Occurrence	City	Penalty Amount	# of Violations Closed	Month
Carquinez Rock & Recycle, LTD	B8523	Crockett	\$1,260	2	April
Central Contra Costa Sanitary District	A0907	Martinez	\$5,000	4	May
Chevron Products Company	A0010	Richmond	\$110,750	13	may
ConocoPhillips - San Francisco Refinery	A0016	Rodeo	\$2,666	2	June
Criterion Catalysts Company LP	A0227	Pittsburg	\$2,500	3	June
Cutting Mini Market (ARCO)	D0450	Richmond	\$500	1	May
Gus Kramer	R2599	Martinez	\$5,000	3	June
Mirant Delta, LLC	A0012	Pittsburg	\$4,250	1	April
New NGC, Inc	A0706	Richmond	\$750	1	May
Pacific Atlantic Terminals LLC	A7034	Martinez	\$4,000	1	April
Richmond Gas & Food Mart	C8675	Richmond	\$500	2	June
Tesoro Refining and Marketing Company	B2758	Martinez	\$1,435,000	84	April
USS-POSCO Industries	A2371	Pittsburg	\$26,500	2	June

Total Violations Closed: 119

**Closed NOV's with Penalties by County
April 2008 – June 2008 (Continued)**

Marin

Site Name	Site Occurrence	City	Penalty Amount	# of Violations Closed	Month
Descalso Lithograph	A9632	San Rafael	\$600	2	May
Ferraro Service Station	C8997	Fairfax	\$500	1	April
Fourth Street Shell - Shell Oil Products	C8668	San Rafael	\$450	1	April
Irwin Shell - Shell Oil Products	C6967	San Rafael	\$250	1	June
New WinCup Holdings, Inc	A1317	Corte Madera	\$2,500	1	April
Scott Lamp Co Inc	B1683	Fairfield	\$650	1	April

Total Violations Closed: 7

Napa

Site Name	Site Occurrence	City	Penalty Amount	# of Violations Closed	Month
Mark Miller	S7893	Napa	\$600	1	June
Nella Oil	C8350	Saint Helena	\$650	1	May
Pallet Guy Pallet Co.	S7892	Napa	\$750	1	April
Robert Sinskey Vineyards	K4603	Napa	\$500	1	June

Total Violations Closed: 4

**Closed NOV's with Penalties by County
April 2008 – June 2008 (Continued)**

San Francisco

Site Name	Site Occurrence	City	Penalty Amount	# of Violations Closed	Month
ARCO Facility #444	C0313	San Francisco	\$1,300	2	April
Ingleside Auto Station	D0011	San Francisco	\$850	2	June
Shell Oil Company	C5591	San Francisco	\$500	1	May
Simas	C2195	San Francisco	\$500	1	May

Total Violations Closed: 6

San Mateo

Site Name	Site Occurrence	City	Penalty Amount	# of Violations Closed	Month
ARCO Facility #02090 - COPOWER INC	C2810	Daly City	\$650	1	April
Chevron #0206	C9048	Millbrae	\$300	1	April
Genesis Auto Body & Paint	B8303	San Jose	\$500	1	April
Holiday Cleaners	A4605	San Mateo	\$350	1	May
Loma Market	C9780	Loma Mar	\$750	3	June
Nella Oil Company	C5124	South San Francisco	\$750	1	April
Oyster Point Marina	D1924	South San Francisco	\$1,599	3	June
Peninsula Hauling & Demo	Q3880	San Carlos	\$650	1	June
Silver Gas	C2809	Colma	\$500	1	April
South San Francisco-San Bruno Water Quality Plant	A5876	South San Francisco	\$850	1	April

Total Violations Closed: 14

Closed NOV's with Penalties by County
April 2008 – June 2008 (Continued)

Santa Clara

Site Name	Site Occurrence	City	Penalty Amount	# of Violations Closed	Month
ARCO Facility #02089 - DAVID CHANG	C8576	San Jose	\$300	1	June
Cal Gas & Diesel	D0901	San Jose	\$500	1	June
Chris Moradkhani	S5706	San Jose	\$150	1	June
Hunter Technology Corp	A1412	Santa Clara	\$1,250	2	May
Mathilda Shell	C0746	Sunnyvale	\$325	1	May
McCarthy Ranch Chevron & Carwash	C9911	Milpitas	\$1,000	1	June
McCarthy Ranch Chevron & Carwash	C9911	Milpitas	\$1,000	1	May
Perfect Climate	Q5077	Cupertino	\$5,000	4	May

Total Violations Closed: 12

Solano

Site Name	Site Occurrence	City	Penalty Amount	# of Violations Closed	Month
Alpha Petroleum Services Inc	D1330	Dixon	\$750	1	May
Fuel Delivery Services	S2614	Benicia	\$350	1	June
NuStar Logistics, L P	B5574	Benicia	\$21,000	4	April
Valero Benicia Asphalt Plant	A0901	Benicia	\$6,000	1	April

Total Violations Closed: 7

**Closed NOV's with Penalties by County
April 2008 – June 2008 (Continued)**

Sonoma

Site Name	Site Occurrence	City	Penalty Amount	# of Violations Closed	Month
Homewood Winery	S8705	Sonoma	\$600	1	June
Iron Dog Fabrication, Inc	B8717	Santa Rosa	\$1,500	2	June
Kacees World of Water	C9845	Rohnert Park	\$1,000	1	May
Marie Lambert	S7904	Sonoma	\$500	1	June
Oakmont Service	D1330	Santa Rosa	\$250	1	May
PDC Properties	B8522	Santa Rosa	\$1,000	2	June
Phillip Sittenauer	S8299	Sebastopol	\$500	1	May
Rowland Badertscher	S7443	Sebastopol	\$250	1	June
Santiago Padilla	R1224	Petaluma	\$750	1	May

Total Violations Closed: 11

4th Quarter, 2007-2008

\$'s \$1,704,150

Closed NOV's 197



Note: the following were not added to the above totals:

May 2008 \$500 from Great Lakes Dredge & Dock Co., LLC (no NOV's associated w/\$)

June 2008 \$2,500 from Granite Rock (no NOV's associated w/\$)

**Total \$ for
Q-4 \$1,707,150**

ACRONYMS AND TERMINOLOGY

ABAG	Association of Bay Area Governments
AC	Authority to Construct issued to build a facility (permit)
AMBIENT	The surrounding local air
AQI	Air Quality Index
ARB	[California] Air Resources Board
ATCM	Airborne Toxic Control Measure
BAAQMD	Bay Area Air Quality Management District
BACT	Best Available Control Technology
BANKING	Applications to deposit or withdraw emission reduction credits
BAR	[California] Bureau of Automotive Repair
BARCT	Best Available Retrofit Control Technology
BIODIESEL	A fuel or additive for diesel engines that is made from soybean oil or recycled vegetable oils and tallow. B100=100% biodiesel; B20=20% biodiesel blended with 80% conventional diesel
BTU	British Thermal Units (measure of heat output)
CAA	[Federal] Clean Air Act
CAL EPA	California Air Resources Board
CCAA	California Clean Air Act [of 1988]
CCCTA	Contra Costa County Transportation Authority
CEQA	California Environmental Quality Act
CFCs	Chlorofluorocarbons
CMA	Congestion Management Agency
CMAQ	Congestion Management Air Quality [Improvement Program]
CMP	Congestion Management Program
CNG	Compressed Natural Gas
CO	Carbon monoxide
EBTR	Employer-based trip reduction
EJ	Environmental Justice
EIR	Environmental Impact Report
EPA	[United States] Environmental Protection Agency
EV	Electric Vehicle
HC	Hydrocarbons
HOV	High-occupancy vehicle lanes (carpool lanes)
hp	Horsepower
I&M	[Motor Vehicle] Inspection & Maintenance ("Smog Check" program)
ILEV	Inherently Low Emission Vehicle
JPB	[Peninsula Corridor] Joint Powers Board
LAVTA	Livermore-Amador Valley Transit Authority ("Wheels")
LEV	Low Emission Vehicle
LNG	Liquefied Natural Gas
MPG	Miles Per Gallon

MTC	Metropolitan Transportation Commission
NAAQS	National Ambient Air Quality Standards (federal standards)
NO _x	Nitrogen oxides, or oxides of nitrogen
NPOC	Non-Precursor Organic Compounds
NSR	New Source Review
O ₃	Ozone
PM _{2.5}	Particulate matter less than 2.5 microns
PM ₁₀	Particulate matter (dust) less than 10 microns
PM _{>10}	Particulate matter (dust) over 10 microns
POC	Precursor Organic Compounds
pphm	Parts per hundred million
ppm	Parts per million
PUC	Public Utilities Commission
RFG	Reformulated gasoline
ROG	Reactive organic gases (photochemically reactive organic compounds)
RIDES	RIDES for Bay Area Commuters
RTP	Regional Transportation Plan
RVP	Reid vapor pressure (measure of gasoline volatility)
SCAQMD	South Coast [Los Angeles area] Air Quality Management District
SIP	State Implementation Plan (prepared for <i>national</i> air quality standards)
SO ₂	Sulfur Dioxide
TAC	Toxic Air Contaminant
TCM	Transportation Control Measure
TFCA	Transportation Fund for Clean Air [BAAQMD]
TIP	Transportation Improvement Program
TMA	Transportation Management Association
TOS	Traffic Operations System
tpd	tons per day
Ug/m ³	micrograms per cubic meter
ULEV	Ultra low emission vehicle
ULSD	Ultra low sulfur diesel
USC	United States Code
UV	Ultraviolet
VMT	Vehicle miles traveled (usually per <i>day</i> , in a defined area)
VTa	Santa Clara Valley Transportation Authority
ZEV	Zero Emission Vehicle

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack Broadbent
Executive Officer/APCO

Date: September 19, 2008

Re: Consideration of Recommendation to Establish Job Classifications and
Descriptions of Fiscal Services Coordinator, Facilities Services Supervisor, Senior
Air Quality Permit Technician and Librarian

RECOMMENDATION

Approve establishment of the following job classifications and descriptions: Fiscal Services Coordinator with a salary set at Pay Range 135, Facilities Services Supervisor with a salary set at Pay Range 130, Senior Air Quality Permit Technician with a salary set at Pay Range 130 and Librarian with a salary set at Pay Range 128.

BACKGROUND

The current budget for FY 2008/09 provides for position upgrades from one Accountant to a Fiscal Services Coordinator, one Facilities Maintenance Worker to a Facilities Services Supervisor and one Office Assistant II to a Senior Air Quality Permit Technician.

In January 2008, a classification maintenance study and salary survey was performed on the Library Specialist classification. The study recommended changing the title from Library Specialist to Librarian and updating the job classification description.

The Board of Directors' approval of these new classifications and the attached draft job descriptions is needed in order for the classifications to be added to the classification system.

DISCUSSION

The Fiscal Services Coordinator classification will enhance control and oversight within the Finance Section of the Administration and Incentives Division. This is especially important given the large increases in grant funding. This classification will be responsible for providing coordination in developing, implementing, and monitoring new and/or revised systems or programs and for supervising assigned staff.

The Facilities Services Supervisor classification will supervise facilities-related activities and perform technical or specialized facilities maintenance repair work. This classification will also perform some of the duties previously performed by the Fleet and Facilities Manager classification which was deleted last fiscal year.

The Senior Air Quality Permit Technician classification will provide senior para-professional level experience to the Permit Technician series. This classification will provide lead direction, training, and work review as well as perform the more difficult or complex technical work in the evaluation, processing and issuance of air quality permits.

The Librarian classification reflects the duties performed by the incumbent, as revealed by the study: professional library work such as planning and organizing library services and developing new library programs. To address the District need for a customer service liaison, this classification will also represent the District as the customer service liaison.

The Human Resources Office completed discussions with the Employees' Association regarding the job classification description and pay level for these new job classifications. If approved, the Fiscal Services Coordinator, Facilities Services Supervisor and Senior Air Quality Permit Technician classifications will be effective as of the date of Board approval. If approved, the Librarian classification will be effective January 24, 2008; this is to acknowledge that the incumbent has been performing the duties of a Librarian for some time.

BUDGET CONSIDERATION/FINANCIAL IMPACT

If approved, the financial impact of this recommendation is approximately \$12,500 for FY 08-09. After FY 08-09, staff will budget for the increase.

Respectfully Submitted,

Jack Broadbent
Executive Officer/APCO

Prepared by: Michael Rich

FISCAL SERVICES COORDINATOR

DEFINITION

Under direction, coordinates integration of accounting functions with overall fiscal operations and payroll; supervises assigned staff and professional accounting work; coordinates integration of accounting functions with overall fiscal operations, payroll, and budgeting; performs related work as assigned.

DISTINGUISHING CHARACTERISTICS

This class coordinates the work of professional accountants in support of the District's goals and objectives. The incumbent is responsible for providing coordination in developing, implementing, and monitoring new and/or revised systems or programs, and for providing supervision of accounting staff. The incumbent performs work that is complex and highly specialized which requires a high degree of initiative and independent judgment. This class is distinguished from the Finance Manager, in that the latter has overall management responsibility for assigned programs and staff.

EXAMPLES OF DUTIES (Illustrative Only)

Coordinates information received from division representatives regarding their accounting and budgeting policies, procedures, and systems needs; makes appropriate recommendations.

Assigns, supervises, reviews and evaluates the work of professional, technical budget and support staff.

Participates in the selection of assigned staff and provides for their training and professional development.

Provides oversight for and coordination of fiscal operations, payroll and budget.

Supervises and participates in internal and external audit activities; performs the most difficult and complex audits; assists with policy and procedure development; participates in developing, implementing, and monitoring new and/or revised accounting, budgeting, and auditing policies, procedures, and systems.

Performs the most complex and specialized accounting work.

Reviews existing accounting, budgeting, and auditing policies, procedures, and systems for effectiveness and efficiency and develops, oversees, and implements a plan for improvement.

Supervises and participates in the preparation and distribution of financial reports for the Board of Directors and District management.

Confers with and advises District staff and other interested parties regarding accounting, fiscal systems, budgeting systems and other fiscal policies and procedures.

Supervises and reviews the District's fiscal operations including accounting and auditing policies, procedures, and systems.

Works with division representatives in the implementation of new and/or revised accounting policies, procedures, and systems.

Provide oversight, review and coordination of payroll and benefit data for incorporation into District financial statements.

QUALIFICATIONS

Knowledge of:

Principles and practices of supervision.

Principles and practices of general, fund, and governmental accounting and payroll allocation, including financial statement preparation and methods of financial reporting.

Policies, procedures, and systems used in accounting, budgeting, and auditing.

Auditing principles, practices, and methods.

Principles and practices of business data processing related to the processing of accounting information and the interpretation of results.

Applicable District, Federal, State, and local laws, rules, and regulations.

Computer applications and software.

Skill in:

Coordinating and providing oversight for fiscal operations.

Analyzing a variety of accounting, budgeting, and auditing policies, procedures, and systems.

Coordinating, assigning, and reviewing the work of assigned staff.

Training and motivating assigned staff.

Reviewing and verifying the accuracy of financial data and associated legal documents.

Analyzing, evaluating, and reconciling complex financial data.

Preparing clear, concise, and complete financial reports and other written correspondence.

Recommending and implementing improved accounting methods and procedures.

Interpreting and applying complex financial rules, regulations, and ordinances.

Using computer software applications, including JDE accounting software and spreadsheets.

Establishing and maintaining effective working relationships with internal and external contacts.

Exercising sound independent judgment within established guidelines.

Education and Experience:

A typical way to obtain the knowledge and skills is:

Equivalent to graduation from a four (4) year college or university with major coursework in accounting, finance, business or economics, or a closely related discipline and five (5) years of accounting and/or auditing experience, including at least two (2) years of lead work experience, preferably in a public agency.

FACILITIES SERVICES SUPERVISOR

DEFINITION

Under direction, supervises building, grounds, equipment and fleet maintenance staff and activities. Provides technical or specialized support to various District facilities including buildings other than 939 Ellis Street; performs related work as assigned, including performing journey-level building maintenance mechanic duties; provides input into RFP process for consultants and other contracted services ...

DISTINGUISHING CHARACTERISTICS

This is a working supervisory classification for the building, grounds, equipment and fleet maintenance classifications, responsible for planning, organizing, supervising, reviewing and evaluating the work of a group of building, grounds, equipment maintenance employees, and vehicle maintenance employees. The work also includes coordinating facilities-related activities and performing technical or specialized facilities maintenance and repair work.

EXAMPLES OF DUTIES (Illustrative Only)

Supervises, reviews and evaluates the work of building, grounds, equipment, security and vehicle maintenance staff and activities.

Trains assigned staff in safety, maintenance and repair practices, District facility requirements and specific facilities practices and procedures.

Evaluates contractor and employee performance; may recommend initial disciplinary action and other personnel decisions.

Participates in the selection of assigned staff and contractors.

Determines work schedules and ensures the effective, efficient and timely completion of all work, including coordination, tracking and approval of contractors' work.

Plans, schedules, assigns and tracks maintenance and repair work such as custodial, electrical, plumbing, and other basic maintenance work in District buildings and adjacent grounds, and maintenance and repair of a variety of motorized equipment. Tracks maintenance and repair work performed on District vehicle fleet.

Monitors and ensures that contracts are in place for supplies and services.

Monitors and ensures that a sufficient supply of equipment and parts are always in supply to maintain essential building and vehicle operations.

Attends to administrative details, such as supply inventory, equipment purchase and maintenance, and relief coverage.

Maintains records of building, grounds and equipment repair and replacement schedules.

Answers inquiries, provides information and resolves complaints from District employees regarding facilities and equipment functions.

Inspects, troubleshoots and diagnoses equipment and operational problems.

Performs technical, difficult and/or specialized facilities maintenance and repair work.

Develops, recommends and implements improved operating procedures and work processes.

FACILITIES SERVICES SUPERVISOR

September 2008

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Provides input into the budget and goal setting process for the unit.

Researches and compiles operational and statistical data and information from varied sources relative to building, grounds and equipment maintenance; maintains records and prepares special and periodic reports.

Operates a variety of equipment such as hand, power and shop tools.

Responds to emergency and trouble calls.

QUALIFICATIONS

Knowledge of:

Supervisory principles and practices, including work planning, scheduling, review, evaluation and employee training and discipline.

Policies, procedures and terminology related to building, grounds and equipment maintenance and repair.

Applicable laws, ordinances, rules and regulations.

Facilities and fleet maintenance practices and procedures, including record-keeping management and the operation of standard maintenance and repair equipment.

Safety principles and practices.

Basic arithmetic.

Correct English usage.

Facilities and fleet maintenance principles and practices.

Use of personal computing equipment.

Skill in:

Planning, assigning, supervising, reviewing and evaluating the work of staff.

Training staff in work and safety procedures.

Reading, interpreting and applying rules, policies and procedures.

Repairing and maintaining buildings, grounds, vehicles and equipment.

Using initiative logic and reasoning to develop approaches and solutions to problems within established guidelines.

Establishing and maintaining effective working relationships with those contracted in the course of the work.

Organizing and prioritizing work, meeting critical deadlines and following up on assignments with a minimum of supervision.

Analyzing and resolving varied facilities and fleet maintenance problems.

Operating standard maintenance and repair equipment, including a personal computer.

FACILITIES SERVICES SUPERVISOR

September 2008

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Ability to:

Instruct subordinate staff and contractors in safety and maintenance procedures, requirements and expectations.

Communicate information and instructions orally and in writing.

Understand written and verbal technical maintenance information and instructions.

Analyze facility and fleet maintenance problems and determine a course of action.

Project future equipment and supply needs, provide cost estimates and make recommendations.

Interpret and apply policies, practices and procedures to determine a course of action.

Develop and provide written and oral reports.

Use computer programs for tracking, scheduling and communicating.

Other Requirements:

Must possess a valid California Driver's License and meet the automobile insurability requirements of the District. Specified positions may require possession of a valid California driver's license.

Must be able to climb ladders and work at height up to 30 feet, lift equipment or materials up to 50 pounds in weight, and perform heavy manual labor as needed.

Education and Experience:

A typical way to obtain the knowledge and skills is:

Equivalent to graduation from high school and four years of building, grounds or equipment maintenance experience. Previous lead or supervisory experience or college or business school course-work in facilities management and supervision are desirable.

SENIOR AIR QUALITY PERMIT TECHNICIAN

DEFINITION

Under general supervision, provides lead direction and performs the more difficult or complex specialized technical work in the standard evaluation, processing and issuance of air quality permits of ministerial sources; performs related work as assigned.

DISTINGUISHING CHARACTERISTICS

This is the advanced level in the air quality permit technician series. Incumbents will provide lead direction and perform the more difficult or complex specialized technical work in the standard evaluation, processing and issuance of air quality permits of ministerial sources that require considerable technical knowledge and use of independent judgment. This is not considered a supervisory class in that selection, discipline and evaluation of employees is not assigned to this level.

EXAMPLES OF DUTIES (Illustrative Only)

Provides lead direction, training and technical work review for technical and support staff; prioritizes, organizes and follows up on work assignments to ensure timely completion.

Develops and prepares procedures for technical and support staff tasks.

Provides input into hiring and promotional selection decisions.

Reviews and verifies technical information for all permit applications and annual updates; screens and verifies data entry for quality assurance.

Analyzes and evaluates difficult or complex ministerial permits; calculates permit fees, documents permit conditions and applicable regulations.

Provides procedural and technical information regarding permit processing for specific emission sources; explains District regulations and fees; may make presentations at meetings and provide on-site training.

Composes technical reports, correspondence, and violation referrals; disseminates rules and regulation for air quality control program.

Updates and retrieves data and prepares reports using personal computer.

Assists in the preparation and analysis of research data related to air toxics programs; performs research projects of limited scope and complexity.

Assists in special engineering projects as needed.

QUALIFICATIONS

Knowledge of:

Basic lead/supervisory principles and practices.

Policies and procedures of assigned programs.

Fundamental engineering principles and practices.

Basic principles of physics, algebra, chemistry and statistics as applied to engineering concepts.

Correct English usage, including spelling, grammar and punctuation.

Computer operation as related to permit processing applications.

Air pollution control methodology and equipment.

Record-keeping principles and procedures.

Applicable district, state and federal laws, rules and regulations.

Skill in:

Planning, assigning, directing and reviewing the work of others.

Training others in work procedures.

Organizing, coordinating and prioritizing work activities while meeting crucial deadlines.

Learning, understanding and applying technical rules and regulations.

Performing detailed analysis of designs, specifications and plans.

Applying technical rules and regulations.

Ability to communicate effectively orally and in writing.

Preparing clear and concise reports, data summaries and other written and graphic documents.

Using initiative and sound independent judgment within established guidelines.

Operating standard office equipment, including a personal computer.

Establishing and maintaining effective working relationships with those contacted in the course of the work.

Other Requirements:

Specified positions may require possession of a valid California driver's license.

Education and Experience:

A typical way to obtain the knowledge and skills is:

Equivalent to an associate degree in engineering, mathematics, physical sciences, or closely related field, and five years of experience in the standard evaluation, processing and issuance of air quality permits of ministerial sources.

LIBRARIAN

DEFINITION

Under general supervision, performs professional library work; performs related work as assigned.

DISTINGUISHING CHARACTERISTICS

This is a single position, working level library professional classification. The work requires considerable independence of judgment in the application of library policies and assistance to users. This class is distinguished from all others by its unique specialization in library activities.

EXAMPLES OF DUTIES (Illustrative Only)

Plans and organizes library services; develops and implements new library programs and services.

Interacts with and responds to requests for library services, information and materials from District staff, other government agencies, industry representatives and members of the public.

Maintains knowledge of current and future District programs in order to provide library support.

Develops the library's annual budget.

Uses indexes, catalogs and online services to locate information requested by District staff and the public.

Obtains information and documents from other sources, including inter-library loans; conducts literature searches.

Indexes technical journals.

Selects, orders, receives and processes new acquisitions such as books, reports and journals; compiles and distributes monthly listing of new acquisitions.

Catalogs and classifies books, reports and government documents using library software.

Explains library materials and procedures to new staff members and publicizes the library's services to District staff.

Circulates books and reports and sends out overdue notices.

Collects journals for binding, including tracing and recovering lost issues; arranges for binding.

Represents the District at conferences and seminars.

Develops content for and maintains the Library webpage.

Provides lead direction, training and work review for support staff.

Represents the District as the customer service liaison.

Receives and screens visitors and telephone calls; takes messages or refers the caller to the proper person.

QUALIFICATIONS

Knowledge of:

Principles and methods of library science, including acquisitions, cataloguing and classification, indexing and literature searches.

Administrative and budgeting practices and procedures.

Library management and planning.

Reference sources and search techniques.

Internet protocols and data processing applications used to conduct library activities.

A wide variety of scholarly and public information sources.

Cataloging according the standardized Anglo -American cataloging code.

Library of Congress subject headings.

Skill in:

Training others in work procedures.

Operating office and library equipment, including photo copier, scanner, and microfilm reader/printer.

Utilizing computer and information systems.

Utilizing a wide variety of library specific software applications and internet resources.

Utilizing office support software.

Ability to:

Plan and administer library policies and procedures.

Perform library services such as acquisitions, indexing, cataloguing, classification, and literature searches.

Form and execute searches on the internet, proprietary databases, websites and electronic library catalogs.

Analyze users' needs to determine appropriate information.

Ensure that information is organized in a manner that meets users' needs.

Evaluate materials as appropriate for the District collection or for a staff member in particular.

Organize collections of materials into a cohesive information repository.

Use sound independent judgment within established guidelines.

Understand and follow oral and written directions.

Establish and maintain effective working relationships with those contacted in the course of the work. Interact with others on a professional level.

Education and Experience:

A typical way to obtain the knowledge and skills is:

Equivalent to a Masters degree in library science and one year of professional librarian experience.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack Broadbent
Executive Officer/APCO

Date: September 9, 2008

Re: Consideration of Recommendation to Amend the Air District's
Memorandum of Understanding, Section 7.02: Salary Placement for
Promoted Employees

RECOMMENDATION

Approve an amendment to Section 7.02 of the current Memorandum of Understanding (MOU) between the Air District and the Employees' Association (EA) to modify the language concerning the salary placement for promoted employees.

BACKGROUND

Section 7.04 of the MOU provides hiring managers with the flexibility to hire new employees at a salary step higher than the entrance salary of a position classification. However, the MOU does not provide hiring managers with the same flexibility relative to employees who are promoted to a higher position.

DISCUSSION

The Air District and the EA met and tentatively agreed to amend the MOU, subject to Board approval, this amendment would allow promotional salary placement to be handled in the same manner as for new hires.

BUDGET CONSIDERATION/FINANCIAL IMPACT

There is no financial impact beyond that already contemplated in the current budget.

Respectfully Submitted,

Jack Broadbent
Executive Officer/APCO

Prepared by: Michael Rich

SECTION 7.02 SALARY STEPS

2. Unless special conditions warrant otherwise, an employee promoted to a higher position will receive the minimum salary for the higher position nearest a 5% increase (not less than 4.9%) above the employee's former position, whichever is higher, provided the increase is within the range of the higher position. If a promotion is awarded within thirty days of a scheduled step increase, the step increase and promotional increase will both be effective at the time of the change. Hiring at a higher salary step will require justification from the Hiring Manager and approval of the EO.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 22, 2008

Re: Set Public Hearing for November 5, 2008 to Consider Proposed
Amendments to Regulation 8, Rule 20: Graphic Arts Printing and Coating
Operations; Regulation 2: Permits, Rule 1: General Requirements; and
Regulation 3: Fees, Schedule R: Equipment Registration Fees; and
Adoption of a CEQA Negative Declaration

RECOMMENDED ACTION:

Set a Public Hearing for November 5, 2008 to consider proposed amendments to Regulation 8, Rule 20: Graphic Arts Printing and Coating Operations; Regulation 2: Permits, Rule 1: General Requirements; and Regulation 3: Fees, Schedule R: Equipment Registration Fees; and Adoption of a Negative Declaration pursuant to the California Environmental Quality Act (CEQA).

BACKGROUND

Control Measure SS-2 in the 2005 Ozone Strategy proposed to reduce volatile organic compound (VOC) emissions from certain ink and cleaning products used in the printing industry, and making additional low-emitting facilities subject to the rule. Regulation 8, Rule 20 limits emissions from certain types of printing equipment; letterpress, lithographic, flexographic, gravure, and screen printing. Regulation 2, Rule 1 sets requirements for permits. Staff developed amendments to reduce VOC emissions, and has conducted two workshops, on July 14 and 15, 2008.

DISCUSSION

Proposed amendments to Regulation 8, Rule 20 would:

- Reduce the VOC content of ink used in flexographic presses on porous substrates such as paper;
- Reduce the VOC content in cleaning products used in the printing industry;
- Reduce the applicability limit in the rule from 175 pounds of VOC emissions per month to 75 pounds per month and require facilities that emit between 75 and 400 pounds VOC per month to register with the District;
- Subject operators using some large commercial digital printing equipment to recordkeeping requirements;
- Delete the provision for an alternate emissions control plan and the extreme performance screen printing petition; and

- Make other changes to enhance and clarify the rule and enhance staff's ability to verify compliance and enforce Regulation 8-20.

The proposed amendments to Regulation 2, Rule 1 will change the permit exemption level so that it is consistent with Regulation 8, Rule 20. Facilities that emit more than 400 pounds of VOC per month will require permits; those that are subject to the rule (emissions of at least 75 lbs/month) but emit less than 400 pounds will be required to register. The amendments to Regulation 3: Fees, Schedule R: Equipment Registration Fees are proposed facilities required to register, \$215 for an initial registration fee and \$135 for annual renewals.

Pursuant to the California Environmental Quality Act (Public Resources Code § 21000 et seq.), an initial study for the proposed rule has been conducted, concluding that the proposed rule would not have significant adverse environmental impacts. Notice is hereby given that the District intends to adopt a negative declaration for the rule pursuant to Public Resources Code section 21080(c) and CEQA Guidelines section 15070 et seq.

A public hearing notice, the proposed amendments to Regulation 8, Rule 20: Graphic Arts Printing and Coating Operations, Regulation 2, Rule 1: Permits, General Requirements and Regulation 3, Schedule R: Equipment Registration Fees; the CEQA initial study and Negative Declaration; a socioeconomic analysis; and a staff report are available by request and will be posted on the District's website at http://www.baaqmd.gov/pln/ruledev/regulatory_public_hearings.htm.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

Program costs for low-emitting facilities are to be funded by the registration fees.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: William Saltz
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 19, 2008

Re: Report of the Personnel Committee Meeting of July 31, 2008

RECOMMENDED ACTION

Approve Committee recommendation to appoint Gilbert Bendix to fill an unexpired term of office on the Air District's Hearing Board in the Alternate Engineer category. The appointment will be effective immediately and ending March 2010.

BACKGROUND

The Personnel Committee met on July 31, 2008 to conduct interviews of candidates to fill an unexpired term of office on the Air District's Hearing Board. Based on the Committee's review of candidate's background and responses to interview questions, the Personnel Committee recommends approval of Gilbert Bendix to fill the alternate engineer category position.

Attached is the staff report submitted to the Personnel Committee for the July 31, 2008 meeting.

Chairperson Brown will provide an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Brown and Members
of the Personnel Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: July 25, 2008

Re: Conduct Interviews of Candidates to Fill the Unexpired Term of Office on
the Air District's Hearing Board in the Alternate Engineer Category

RECOMMENDED ACTION:

Conduct interviews and consider recommending Board of Directors approval of appointment of candidate to fill the Alternate Engineer Category position on the Air District's Hearing Board.

BACKGROUND

Pursuant to Section 40800 - 40801 of the California Health and Safety Code, there is continued in existence and shall be, in each district, one or more hearing boards consisting of five members each, as specified in Section 40801, appointed by the district board. The district board may also appoint one alternate for each member. The alternate shall have the same qualifications, specified in Section 40801, as the member for whom such person is the alternate. The alternate may serve only in the absence of the member, and for the same term as the member. An alternate shall not hold any of the single member hearings authorized by subdivision (c) of Section 40824, subdivision (c) of Section 40825, Section 42351.5, or Section 42359.5.

A hearing board shall consist of: One member admitted to the practice of law in this state; One member who is a professional engineer registered as such pursuant to the Professional Engineers Act (Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code); One member from the medical profession whose specialized skills, training, or interests are in the fields of environmental medicine, community medicine, or occupational/toxicologic medicine; Two public members.

DISCUSSION

An Alternate Engineer member resigned effective August 1, 2008. Applicant Gilbert Bendix applied, was screened, and was determined to be qualified for the position.

The interview of the applicant will take place on Thursday, July 31, 2008 at 9:30 am. The length of the interview will be approximately fifteen minutes. The application materials for the candidate are included for your review.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 19, 2008

Re: Report of the Stationary Source Committee Meeting of September 15, 2008

RECOMMENDED ACTION

Receive and file.

BACKGROUND

The Stationary Source Committee met on Monday, September 15, 2008.

The Committee received the following reports and presentations:

- A) Proposed Amendments to Regulation 8, Rule 20: Graphic Arts Printing and Coating Operations;
- B) Proposed Amendments to Regulation 8, Rule 45: Motor Vehicle and Mobile Equipment Coatings Operations;
- C) Status Report on Amendments to the Air District's Dry Cleaner Rules; and
- D) Status Report on Flare Minimization Plan Annual Update Requirements.

Attached are the staff reports presented to the Stationary Source Committee for your review.

Chairperson, Scott Haggerty will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 4, 2008

Re: Proposed Amendments to Regulation 8, Rule 20: Graphic Arts Printing
and Coating Operations

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

Regulation 8, Rule 20 limits volatile organic compound (VOC) emissions from printing operations such as lithographic presses, flexographic presses and silk screening. Control Measure SS 2 in the 2005 Ozone Strategy proposes to further reduce emissions from printing operations through reduced VOC limits for flexographic ink, reduced VOC limits for cleaning products and examination of the applicability limit in the rule to include more facilities. Workshops on proposed amendments were conducted on July 14 and 15, 2008.

DISCUSSION

Staff will provide the Committee with information on:

- Proposed amendments to Regulation 8, Rule 20;
- Potential VOC emission reductions;
- Comments received at the July workshops; and
- Next steps in the rule development process.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: William Thomas Saltz
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 3, 2008

Re: Proposed Amendments to Regulation 8, Rule 45: Motor Vehicle and
Mobile Equipment Coating Operations

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

Regulation 8, Rule 45, which applies to over 1100 auto refinishing facilities throughout the Air District, sets limits of VOCs for various types of paints and surface preparation solvents used in automotive refinishing operations. The rule also requires the use of high transfer efficiency spray guns and proper filtration systems. Control Measure SS 1, Auto Refinishing, in the Air District 2005 Ozone Strategy proposes to further reduce emissions from this source. In 2005, the ARB approved an Automotive Coating Suggested Control Measure that serves as a guideline to be used by California air districts in amending their automotive refinishing rules. Staff developed proposed amendments to Rule 8-45 based on the SCM. Three workshops were held on August 25, 26, and 27, 2008, in San Francisco, San Jose, and San Pablo to discuss the proposal with the affected industry and interested parties.

DISCUSSION

In this report, staff will provide the Committee with information on:

- Proposed amendments to Regulation 8, Rule 45;
- Potential VOC emission reductions;
- Comments received during the August workshops; and
- Next steps in the rule development process.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Victor Douglas
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 5, 2008

Re: Status Report on Amendments to the Air District's Dry Cleaner Rules

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

The California Air Resources Board (CARB) has amended the Airborne Toxic Control Measure (ATCM) for Emissions of Perchloroethylene from Dry Cleaning Operations, which became effective on December 27, 2007. Staff is preparing amendments to District Regulation 11, Rule 16: Perchloroethylene and Synthetic Solvent Dry Cleaning Operations, that would incorporate the requirements of the amended ATCM, and add several other requirements that would improve the effectiveness of the rule.

The primary component of the amended ATCM is a phase-out of Perc dry cleaning machines and related equipment. New installations and relocations of dry cleaning equipment using Perchloroethylene (Perc) are prohibited, as are dip tanks and drying cabinets that use Perc. Effective July 1, 2010, the ATCM also prohibits Perc equipment at Co-residential Facilities, converted Perc machines, and Perc equipment older than 15 years. The ATCM prohibits all Perc dry cleaning operations effective January 1, 2023.

The ATCM also includes additional operational requirements for Perc dry cleaning equipment, including requiring a spare set of gaskets, allowing a shorter time for repairs, additional reporting and recordkeeping, and requiring an on-site certified operator whenever Perc equipment is operated.

In addition to incorporating the requirements of the amended ATCM, staff is also proposing a District requirement that would prohibit the use of spotting solutions containing halogenated solvents (e.g., Perc and Trichloroethylene). Spotting solutions are used to pre-treat stains prior to dry cleaning, and a number of effective non-halogenated spotting solutions are widely available. Other provisions of the District's rule (e.g., operational requirements [e.g., leak check & repair program] and enhanced ventilation requirements) would also apply to halogenated solvents other than Perc.

The District is also proposing amendments to District Regulation 8, Rule 17: Petroleum Dry Cleaning Operations. These amendments are intended to strengthen requirements for the control of non-halogenated volatile dry cleaning solvents, the use of which will increase as a consequence of the mandated Perc phase-out.

Under the Staff proposal, Regulation 8, Rule 17 would be renamed “Non-Halogenated Solvent Dry Cleaning Operations” and apply to solvents such as high-flashpoint hydrocarbon, glycol ethers, and volatile methylated siloxanes. The amended rule would require that all new non-halogenated dry cleaning machines be closed-loop (i.e., prohibit the installation of the more highly emitting transfer and vented machines). The proposal also includes a leak check and repair program and new recordkeeping and reporting requirements. The use of halogenated solvents in spotting solutions would also be prohibited to establish consistency with Regulation 11, Rule 16.

The staff proposal also includes amendments to the existing permit exemption for non-halogenated dry cleaners. Under this proposal, the permit exemption level for non-halogenated dry cleaning facilities would be reduced from 700 gallons per year to 200 gallons per year (gross consumption). This would impact only about 20 of the larger facilities. New equipment registration requirements would also be added for facilities that are subject to Regulation 8, Rule 17, but that are exempt from permit requirements.

Finally, staff is proposing to delete District Regulation 8, Rule 27: Synthetic Solvent Dry Cleaning Operations. This rule has been replaced by Regulation 11, Rule 16, and is obsolete.

DISCUSSION:

At the meeting on September 15, 2008, Staff will provide the Committee with additional details regarding the staff proposal for amending the District’s dry cleaner rules, and provide an update on the rule development process.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Scott Lutz
Reviewed by: Brian Bateman

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 8, 2008

Re: Status Report on the Flare Minimization Plan Annual Update Requirement
Under Regulation 12, Rule 12: Flares at Petroleum Refineries

RECOMMENDED ACTION:

Informational Report. Receive and file.

BACKGROUND

In order to minimize the magnitude and frequency of flare use at refineries, the Air District Board of Directors adopted Regulation 12-12, which is structured to give refineries flexibility to reduce flaring emissions. The regulation recognizes that refinery flares are first and foremost a safety device and it allows refineries to develop plans to continuously minimize flaring without compromising safety. The regulation prohibits the non-emergency use of a refinery flare unless that use is consistent with an approved Flare Minimization Plan ("FMP" or "Plan"). Each Flare Minimization Plan approved by the Air District's APCO/EO must include:

- Information regarding the design and operation of the facility as it relates to flaring;
- Description of the prevention measures previously taken that permanently capture current emission reductions, and planned measures to further reduce flare emissions at the refinery; and
- Commitments to implement all additional feasible prevention measures expeditiously.

The regulation requires the refineries to update the FMPs annually to ensure emissions continue to be minimized and flaring reduction or prevention measures continually improve.

DISCUSSION

The first FMP Annual Updates were submitted July 16, 2008. In addition to the components mentioned previously, the FMP Annual Updates need to include all feasible prevention measures that were implemented as a result of the investigation into each

significant flaring event. Significant flaring is defined in the rule as an event in which the amount of vent gas sent to the flare is greater than 500,000 standard cubic feet per day (scfd) or in which the sulfur dioxide emissions are greater than 500 lbs of sulfur dioxide.

Staff has reviewed and analyzed flaring emissions based on the reported cause for each significant flaring event since the rule was adopted on July 20, 2005. These causes can include shutdowns and startups due to maintenance, emergency shutdowns & startups, fuel gas imbalances, and operator error.

Staff will update the Committee with the following information:

- Emission Trends
- Status of FMP Annual Updates
- Next Steps

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alex Ezersky
Reviewed by: Kelly Wee

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson, Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 22, 2008

Re: Report of the Climate Protection Committee Meeting September 18, 2008

RECOMMENDED ACTION

Approval of request to authorize the Executive Officer/APCO to execute consulting services contract with O'Rorke Inc., in an amount not to exceed \$200,000 to perform event planning and logistical arrangements in preparation for a Spring 2009 Regional Climate Protection Summit.

DISCUSSION

The Climate Protection Committee met on Thursday, September 18, 2008. The Committee received the following presentations and recommendations:

- A) Update on AB 32 Climate Change Draft Scoping Plan;
- B) Update on Development of Air District's Climate Protection Strategic Work Plan; and
- C) Discussion and Consideration of 2009 Regional Climate Change Summit and Authorization of Consulting Services Contract.

Attached are the staff reports presented in the Climate Protection Committee packet.

Chairperson, Pamela Torliatt will provide an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

The FYE 2009 budget includes funds for the Spring 2009 Regional Climate Protection Summit.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 8, 2008

Re: Update on AB 32 Draft Scoping Plan

RECOMMENDED ACTION:

None. For information only.

DISCUSSION

Pursuant to AB 32, the California Global Warming Solution Act of 2006, the California Air Resources Board has prepared a draft Scoping Plan that outlines measures for California to achieve the AB 32 target for reducing greenhouse gas emissions to 1990 levels by 2020. The Draft Scoping Plan was released for public review and comment on June 26, 2008. ARB has hosted numerous workshops and has continuously accepted public comment on the Draft Scoping Plan. The Proposed Scoping Plan will be released on October 3, 2008 and will be considered for adoption by ARB on November 20, 2008.

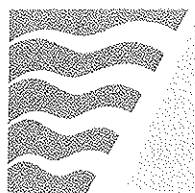
Air District staff submitted comments to ARB on the draft scoping plan; the comments are attached. Staff will update the Climate Protection Committee on the Scoping Plan process and on the Air District and regional agencies' comment letters to ARB on the Draft Scoping Plan.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ana Sandoval
Reviewed by: Henry Hilken

Attachment



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT
SINCE 1955

ALAMEDA COUNTY

Tom Bates
Scott Haggerty
Janet Lockhart
Nate Miley

CONTRA COSTA COUNTY

John Gioia
Mark Ross
Michael Shimansky
Gayle B. Uilkema

MARIN COUNTY

Harold C. Brown, Jr.

NAPA COUNTY

Brad Wagenknecht
(Secretary)

SAN FRANCISCO COUNTY

Chris Daly
Jake McGoldrick
Gavin Newsom

SAN MATEO COUNTY

Jerry Hill
(Chair)
Carol Kíatt

SANTA CLARA COUNTY

Erin Garner
Yoriko Kishimoto
Liz Kniss
Ken Yeager

SOLANO COUNTY

John F. Silva

SONOMA COUNTY

Tim Smith
Pamela Torliatt
(Vice-Chair)

Jack P. Broadbent
EXECUTIVE OFFICER/APCO

September 3, 2008

James Goldstene, Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Mr. Goldstene,

Bay Area Air Quality Management District staff (District staff) appreciates the opportunity to comment on the Draft Scoping Plan required by the Global Warming Solutions Act (AB32). District staff recognizes the tremendous effort made by California Air Resources Board (CARB) staff in preparing this document.

However, District staff are concerned that the Draft Scoping Plan is incomplete in terms of the measures identified and needs to provide adequate detail regarding those measures that are identified. Accordingly, District staff offers the following comments and suggestions.

In light of the legislative mandate set forth in AB 32, all measures which will result in emissions reductions designed to reach the goal of reducing 169 MMT CO₂ must be enforceable. In addition, CARB should develop methods to ensure regular tracking of the implementation of the measures. Furthermore, the Scoping Plan should identify contingency measures to be adopted in the event that measures fail to yield estimated reductions. CARB should also include the stationary source measures listed as "under review" in the final list of recommended measures. Moreover, the final Scoping Plan should include development of a measure to ensure greenhouse gas emission reductions from new and modified stationary sources. In implementing Scoping Plan measures affecting stationary sources, CARB should utilize a consolidated permitting program that can offer the clarity and efficiency needed to be successful. District staff is willing to assist CARB with the development and implementation of a consolidated permitting system.

District staff is concerned that the Draft Scoping Plan is premised upon a market mechanism providing approximately one fifth of the needed reductions. This concern is particularly acute because the proposed cap and trade proposal has been loosely defined and depends on the voluntary collaboration of multiple external entities. California's long history of successful air pollution control has relied primarily on regulatory mechanisms. The cap and trade proposal contained in the Draft Scoping Plan represents a significant departure from California's proven approach. Moreover, the Draft Scoping Plan presents no alternative in the event that the cap and trade program does not evolve to provide the projected reductions in the required time frame.

To the extent that the cap and trade program credits greenhouse gas emissions reductions that occur in projects outside of California against the AB32 targets, California communities will fail to benefit from related air quality benefits such as reductions in criteria air pollutants and toxic air pollutants. The cap and trade program must embody sufficient protections for local communities. CARB should explore whether revenue generated by auctioning the initial allowances for the cap and trade program rather than distributing those allowances at no charge could be used to fund in-state clean air programs including in impacted communities. Ultimately, the protection of public health should remain the priority of clean air programs.

District staff is pleased to see Local Government Actions and Regional Targets identified as a reduction measure (Measure T-9). However, Measure T-9 presents a limited approach and fails to catalyze the transformative transportation and land use changes needed to meet greenhouse gas emission reduction targets in 2050 as set forth in the Governor's Executive Order S-3-05. Projected emission reductions from Measure T-9 underestimate the potential for significant transportation sector greenhouse gas reductions. The Bay Area is already employing transportation and land use innovations like the FOCUS planning process and the incorporation of greenhouse gas targets and reduction projects in the regional long range transportation plan. This measure should be strengthened in the following ways.

First, the regional targets should be linked to appropriate incentives, such as funding for local transportation projects or plans that accelerate greenhouse gas emission reductions. The measure should also include required actions for regions that fail to meet a minimum reduction target.

Second, Measure T-9 should reach beyond the Blueprint Planning process and include tools that regions can begin to implement sooner, and which can yield reductions in a shorter timeframe. Some of these tools are in the Draft Scoping Plan section titled "Other Measures under Evaluation." Examples include indirect source rules for new development and congestion pricing. Other additions to this list should include regional transit improvements and innovative parking strategies to reduce vehicle miles traveled and greenhouse gas emissions. The scoping plan should also seek to implement statewide strategies such as Pay as You Drive insurance and "feebates," as these strategies also have the potential to reduce vehicle miles traveled and greenhouse gas emissions.

Third, because State agencies can provide additional support for low-greenhouse gas land use decisions by coordinating with one another regarding distinct policies, programs, guidance, funding, and analytical tools, these concepts should be included in the Scoping Plan.

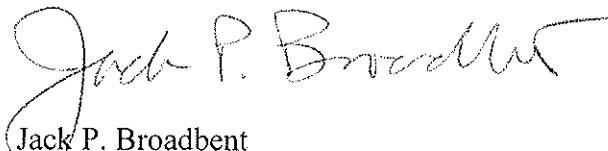
Fourth, the Scoping Plan should also address how the passage of SB 375, Senator Steinberg's bill on land use and transportation planning and greenhouse gas emissions, may affect implementation of measure T-9, should the bill be signed by the Governor. CARB should further clarify the measure via discussion with local and regional agencies. It will also be critical for CARB to work closely with local and regional agencies to implement Measure T-9. Together, CARB and the regions can identify achievable targets based on a region's infrastructure and resources and the region's ability to create mode shift. Within the Bay Area, the District and its regional agency partners have been working to align climate protection efforts

to facilitate and accelerate climate action. We are developing a regional climate protection program that builds on the roles of each agency.

Fifth, the current version of Measure T-9 merges together regional GHG targets and local government actions. Two separate measures should be included in the Scoping Plan. Measure T-9 would continue to focus on regional GHG targets to be achieved through improved transportation and land use planning at the regional and local levels. CARB should collaborate with regional agencies in setting the regional targets. A new measure would focus on reducing greenhouse gases through other types of actions that can be implemented at the local level, including actions to reduce solid waste, water use, and energy use. Many Bay Area cities and counties are developing local Climate Action Plans that include such actions. The District has been providing technical assistance and resources to help cities and counties develop greenhouse gas emission inventories to use as the baseline for their Climate Action Plans. This is a challenging task for city and county staffs that must learn inventory principles and practices, collect data, and formulate a community-wide inventory. The local government protocols being developed by CARB and CCAR will help. District staff urges CARB to provide additional statewide technical and financial resource assistance for this effort.

Once again, District staff appreciates the opportunity to comment on the Draft Scoping Plan. District staff is prepared to assist CARB in implementation of the Scoping Plan, including development and implementation of regulations, permitting, enforcement, voluntary programs, incentives, and public outreach. District staff looks forward to implementation of the Scoping Plan as a collaborative endeavor with CARB.

Sincerely,



Jack P. Broadbent
Executive Officer/Air Pollution Control Officer

cc: Supervisor Jerry Hill

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 8, 2008

Re: Update on the Development of Air District's Climate Protection Strategic
Work Plan

RECOMMENDED ACTION:

None. For information only.

BACKGROUND

The Air District's Climate Protection Program aims to integrate climate protection into all Air District activities and to encourage and implement climate protection actions throughout the Bay Area. Major program accomplishments include but are not limited to: a regional climate protection summit featuring Al Gore, a \$3 million grant program, and a greenhouse gas emission cost recovery fee. All of these accomplishments are firsts for a California air district.

DISCUSSION

As a follow up to the previous discussion at the Climate Protection Committee meeting of June 13, 2008, staff will present an update on the development of a multi-year Strategic Work Plan for Climate Protection activities at the Air District.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

None at this time.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ana Sandoval
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 5, 2008

Re: 2009 Local Government Climate Summit

RECOMMENDED ACTION:

Recommend Board of Directors authorization for the Executive Officer to execute a contract with O'Rorke, Inc. for an amount not to exceed \$200,000 to perform event planning and logistical arrangements.

BACKGROUND

The Air District hosted a successful Climate Protection Summit on November 10, 2006 at the Yerba Buena Center for the Arts in San Francisco. The purpose of that event was to inspire commitment and action toward climate protection. The Air District is preparing to convene another regional climate protection summit in the spring of 2009.

DISCUSSION

The Air District will host a high-profile summit on climate change and climate protection in the Bay Area in 2009. The primary targeted audience would be local government representatives, including elected officials, city managers/county administrators and planning staff. Staff would also invite Bay Area leaders from private businesses and non-profit organizations that could collaborate with or provide resources or services to local governments to implement GHG reduction policies and projects.

The 2009 Climate Protection Summit would be designed to accelerate the implementation of local greenhouse gas mitigation policies and projects, similar to those activities funded through the Climate Protection Grant Program. In addition, the Summit would help local government efforts to meet new and emerging GHG regulatory frameworks, and build connections between local governments and businesses and organizations that have tools and strategies to assist local governments implement their greenhouse gas reduction projects.

As with the previous summit in 2006, staff plans to utilize the services of an experienced event planner to assist with event planning, logistics (e.g. venue, catering, printing, mailing), sponsorships and development of graphic branding for the event. Staff has worked previously with O'Rorke, Inc. on a number of Air District outreach projects, including development of advertising campaigns, preparation of publications, and planning and coordination of the 2006 Climate Protection Summit. Based on this prior experience, staff believes O'Rorke, Inc. would be very effective in assisting with the 2009 Summit.

Staff will brief the Committee on current preparations including Summit content, logistics and potential speakers.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

The FY08/09 budget includes funds for this event.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: April 28, 2008

Re: Report of the Legislative Committee Meeting of April 21, 2008

RECOMMENDED ACTIONS

Receive and file.

DISCUSSION

The Legislative Committee met on Monday, September, 2008. Staff presented a summary of the 2008 Legislative year, highlighting the outcome of measures on which the Air District adopted positions. The Committee also received an overview of the 2008/2009 State budget and its impacts if any to air quality programs.

Also attached are staff reports presented in the Legislative Committee packet.

Committee Chair Brad Wagenknecht will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Wagenknecht and
Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 15, 2008

Re: Summary of 2008 Legislative Year

RECOMMENDED ACTION: None (informational item)

BACKGROUND

The 2007-2008 regular legislative session ended August 31, 2008. By law, the Governor has until September 30 to sign or veto the hundreds of measures sent to him by the Legislature. Thus, the final outcome on a number of measures of significance to the District will not be known until after our September 22nd meeting. Furthermore, California does not yet have a budget for the 2008-2009 fiscal year. Nevertheless, this report will highlight the status of significant air quality measures, particularly those on which the District has adopted positions.

DISCUSSION

The 2008 legislative year was heavily influenced by California's fiscal crisis. Very few measures that had significant state costs were passed by the Legislature. This was true both in general and also for air quality measures.

The following table highlights the 11 bills that the District adopted positions on.

<i>Bill</i>	<i>Brief Description</i>	<i>BAAQMD Position</i>	<i>Outcome</i>
AB 616 Jones	Requires annual (instead of biennial) smog checks for cars at least 15 years old currently in the program	Support	End-of-session efforts to revive this 2007 bill were unsuccessful
AB 619 Emmerson	Amnesty for vehicles that committed title fraud	Oppose unless amended	Enrolled; amended to address BAAQMD concerns
AB 2094 DeSaulnier	Adds BCDC to the Joint Policy Committee	Support	Enrolled
AB 2241 Saldana	Closes smog check loophole that allows registration without required smog check	Support if amended	Enrolled; amended per BAAQMD suggestions
AB 2522 Arambula	Increases vehicle registration fees for air quality in the Central Valley	Oppose unless amended	Enrolled; amended to address BAAQMD concerns

AGENDA: 4

AB 2744 Huffman	Allows a majority vote in Bay Area on a fuel fee to fund projects to cut climate change emissions from motor vehicles	Support	Died in Assembly Transportation Committee
AB 2558 Feuer	Very similar to AB 2744, but allows vote in each region of the state, and vote on either registration surcharge OR fuel fee, and funding for climate change and transportation projects	Support	Died on Senate Floor
AB 2922 DeSaulnier	Adds non-vehicle violations to ARB's civil penalty authority	Support	Enrolled
AB 2991 Nunez	Adds climate change experts to ARB's Research Screening Committee	Support	Enrolled
AJR 53 Huffman	Urges Congress to pass legislation allowing California to implement its greenhouse gas standards for new vehicles	Support	Chaptered
SB 375 Steinberg	Changes to transportation and land use planning process to reduce VMT	Support in Concept	Enrolled
SB 974 Lowenthal	Establishes a container fee at LA, Long Beach, and Oakland ports	Support	Enrolled

On the positive side, all bills the District opposed were amended to address the District's concerns by removing the problematic sections. Furthermore, seven other measures supported by the District were passed by the Legislature and sent to the Governor.

On the other hand, efforts to pass a measure allowing a vote of the people on a climate change fee on gasoline were unsuccessful. This effort started with AB 2744, authored by Jared Huffman, and continued later in the year with AB 2558, authored by Mike Feuer with assistance from Mr. Huffman. AB 2558 passed through all policy and fiscal committees in both houses. After fierce lobbying by a large coalition of opponents, it appeared that the Senate was a few votes short of passing the bill off the Senate floor, and the authors chose not to put it up for a vote. Staff will highlight this measure for the Committee during the September 22nd meeting.

Senator Lowenthal's container fee bill, SB 974, was also the subject of intense negotiations during the last several weeks of session. The Administration waited until very late in the year to reveal that it wanted major amendments to the measure. Some of the amendments would have shifted funds generated from the container fee away from coastal regions and to the Central Valley, and would have reduced the role of air districts and increased the role of the Air Resources Board. Ultimately, Senator Lowenthal lacked the time and consensus needed to make such major changes to the bill. Thus, the bill before the Governor does not contain amendments sought by the Governor's staff. While it is opposed by a variety of interests, there is substantial support for the measure. Staff will also provide more detail on this issue at the Committee's meeting.

A list of all the bills of potential air quality significance that the District tracked, and their outcomes, is attached to this memorandum.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Thomas Addison

BAAQMD BILL DISCUSSION LIST

September 16, 2008

BILL NO.	AUTHOR	SUBJECT	BAAQMD, OTHER AGENCY POSITIONS	STATUS
AB 109	Nunez	Cleanup bill to last year's AB 118 (funding for alternative fuels and vehicle technologies to cut greenhouse gas emissions)		Enrolled
AB 619	Emmerson	Amnesty for vehicles that committed title fraud (amended to specifically address BAAQMD concerns, removing our opposition)	Oppose unless amended	Enrolled
AB 1807	Fuentes	Photovoltaic feed-in tariffs		Failed passage
AB 1846	Adams	Inedible kitchen grease transporters		Enrolled
AB 1851	Nava	Certification of voluntary greenhouse gas emission reductions		Failed passage
AB 1909	Hayashi	Requires local jurisdiction approval of siting additional powerplants		Failed passage
AB 1920	Huffman	Net metering of solar electric power		Failed passage
AB 2003	Saldana	Climate Protection and Energy Efficiency Bond Act (\$2 billion)		Failed passage
AB 2030	Lieu & Saldana	Requires new houses to be net energy zero by 2020, and commercial buildings by 2030		Failed passage
AB 2063	Parra	Increases smog check testing by making most vehicles subject to biennial inspections		Failed passage
AB 2094	DeSaulnier	Adds BCDC to the JPC, and specifies that by 2011 a majority of BCDC's appointees shall be locally elected officials	BAAQMD, MTC & ABAG support	Enrolled
AB 2118	Villines	Prohibits state agencies from requiring technology less than 2 years old		Failed passage

AB 2179	Furutani	Requires state vehicles to use biomass based biodiesel in the future, if certain criteria are met		Enrolled
AB 2241	Saldana	Closes smog check loophole allowing registration without required smog check; amended per BAAQMD request	Support if amended	Enrolled
AB 2316	Ruskin	Study of possible consolidation of vehicle retirement programs		Failed passage
AB 2332	Furutani	Prevents railyard establishment or expansion near schools		Failed passage
AB 2388	Feuer	Revises vehicle license fee to include fees based on weight and carbon emissions		Failed passage
AB 2431	Garcia	Air quality spot bill (State Implementation Plan)		Failed passage
AB 2510	La Malfa	Allows biennial (instead of annual) audits for some special districts		Chaptered
AB 2522	Arambula	Allows San Joaquin Air District to increase vehicle license fee by up to \$30 annually (amended to remove BAAQMD opposition)	Oppose unless amended	Enrolled
AB 2536	Nunez	Allows state grants (versus loan guarantees only) to chrome platers		Failed passage
AB 2538	Ruskin	Requires consumer product labeling for greenhouse gases		Failed passage
AB 2546	De La Torre	Requires ARB to cut emissions from non-locomotive railyard sources		Failed passage
AB 2558	Feuer	Allows popular vote in greater LA on climate mitigation fee, either at the pump or via vehicle license fee	BAAQMD & MTC support	Failed passage
AB 2560	Lieu	Requires efficiency standards for medium & heavy-duty state & local vehicles		Enrolled
AB 2596	Jones	Allows local governments that cut greenhouse gases 25% beyond ARB projections to sell credits in any ARB market-based system under AB 32		Failed passage
AB 2625	Strickland	Adds definitions of biodiesel and renewable diesel to fuel definitions		Failed passage
AB 2632	Fuller	Spot bill on market trading system for greenhouse gases		Failed passage
AB 2638	Coto	Fee on new cars costing more than \$80K and getting less than 15 mpg, with funds to ARB		Failed passage
AB 2645	Nunez	Amends definitions of full fuel cycle in 2007's AB 118		Failed passage
AB 2655	DeSaulnier	Requires crankcase retrofits, and new rules for HVAC system work at schools		Failed passage

AB 2744	Huffman	Allows Bay Area popular vote on gas fee for climate change reduction	BAAQMD & MTC support	Failed passage
AB 2768	Levine	Allows flat rate for solar electric generators if they prefer over a stepped rate		Enrolled
AB 2851	Adams	Spot bill on new source review language		Failed passage
AB 2865	De Leon	Increases ARB's Moyer setaside for multi-district projects from 10% to 20%		Failed passage
AB 2869	De Leon	Establishes Community Empowerment Advisory Committee to ARB on environmental justice issues around AB 32		Failed passage
AB 2922	DeSaulnier	Clarifies civil penalty authority for ARB	Support	Enrolled
AB 2962	Furutani	Spot bill on air penalties for motor vehicle emissions standards violations		Failed passage
AB 2991	Nunez	Adds 2 climate experts to ARB research screening committee	Support	Enrolled
AB 3001	Hancock	California Voluntary Carbon Offset Commission		Failed passage
SB 375	Steinberg	Changes in transportation and land use planning to reduce VMT	Support in Concept; MTC, CSAC, League of Cities Support	Enrolled
SB 974	Lowenthal	Imposes container fees for air quality and infrastructure at Ports of Long Beach, Los Angeles, and Oakland	Support	Enrolled
SB 1143	Dutton	HOV lane spot bill		Failed passage
SB 1195	Battin	Spot bill on motor vehicle emission controls		Failed passage
SB 1223	Runner	Air quality spot bill		Failed passage
SB 1374	Battin	Allows HOV lane access for those who pay a fee to offset their carbon emissions		Failed passage
SB 1468	Oropeza	Bans new schoolsites within ¼ mile of a freeway		Failed passage
SB 1548	Florez	Bill on city selection committee process for San Joaquin AQMD		Enrolled
SB 1549	Florez	Study of historic license plate programs in California		Enrolled
SB 1550	Florez	Requires companies to disclose their risks and opportunities from climate change		Failed passage

SB 1573	Florez	Has ARB rather than Bureau of Automotive Repair set smog check cutpoints		Vetoed
SB 1574	Florez	Biodiesel standards, including for storage in underground tanks		Enrolled
SB 1646	Padilla	Extends sunset on South Coast \$1 registration fee surcharge		Enrolled
SB 1662	Cox	Allows emission reduction credit trading between Eldorado AQMD and Sacramento Metro AQMD		Enrolled
SB 1720	Lowenthal	Makes it illegal to forge clean air vehicle HOV decals		Enrolled
SB 1724	Maldonado	States legislative intent to allow carbon credits for agricultural activity		Failed passage
SB 1731	Yee	Allows MTC to collect \$1 registration fee surcharge to cut congestion		Enrolled
SB 1759	Perata	Concerns construction of new natural gas powerplants in California		Failed passage
SB 1760	Perata	Creates Climate Action Team to coordinate state's overall climate policy		Enrolled
SB 1762	Perata	Creates \$500M climate change research and technology advancement institute		Enrolled

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Wagenknecht and
Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 15, 2008

Re: Overview of 2008-2009 Budget

RECOMMENDED ACTION: None (informational item)

BACKGROUND

The 2008-2009 Fiscal Year started July 1st, but California is still without a budget. While the State has rarely adopted a budget by its June 15th deadline in recent years, never has the delay gone as long as it has this year. Staff will present a verbal report at the Committee meeting on the status of the budget, and its implications both for the District and air quality programs generally.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Not yet known.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Thomas Addison

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 22, 2008

Re: Report of the Budget & Finance Committee Meeting of September 24, 2008

RECOMMENDED ACTION

The Committee recommends Board of Directors' approval of an additional Air Quality Program Manager position in the Administration and Incentives Division.

BACKGROUND

The Budget & Finance Committee met on Wednesday, September 23, 2008. The Committee received the following reports and recommendations:

- A) Presentation on New State Audit Standards from Air District Auditor Maze & Associate; and
- B) Consideration of Recommendation for an additional Air Quality Program Manager position.

Attached are the staff reports presented in the Budget and Finance Committee packet.

Chairperson Chris Daly will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

The cost of adding an Air Quality Program Manager position would be approximately \$123,116 annually, including salary-driven benefit costs.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Daly and Members
of the Budget and Finance Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 3, 2008

Re: Auditor's Communications

RECOMMENDED ACTION:

Informational report. Receive and file.

BACKGROUND:

Effective for fiscal year 2007-08, our external financial statement and compliance auditors are now required by Statement on Auditing Standards (SAS) No. 114 to communicate specific communications in writing to those charged with governance.

DISCUSSION:

Katherine Yuen, partner with Maze & Associates Accountancy Corporation will present the following communications:

- An overview of the planned scope and timing of the audit.
- Representations the auditor is requesting from management.
- Additional guidance on the forms and timing of communication.
- Evaluation of the adequacy of the two-way communication.
- Requirements to document required communications.

Ms. Yuen will also present the attached Audit Planning Meeting Agenda at the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

No impact on Fiscal Year 2008/2009 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Linda J. Serdahl, CPA, CFE
Reviewed by Jack M. Colbourn

Attachment

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
AUDIT PLANNING MEETING AGENDA
For The Year Ended June 30, 2008**

New audit standards require us to have meetings with our clients to discuss the audit process including:

- Audit Scope
- Audit Timing
- Management Representations
- Fraud Considerations

Audit Scope

Audit scope generally includes the following subject to adaptation from our risk assessment process:

- Perform risk assessment brainstorming and planning
- Create audit plan tailored to the District and sector
- Transactions cycles subject to control testing and sampling:
 - Revenue/Receivable
 - Disbursements/Accounts Payable
 - Payroll/Accrued liabilities
 - Federal award transactions
- Transactions cycles testing:
 - Controls over cash transactions and accruals
 - Test of transactions
 - Tests of information system application controls
 - Confirmations generally not used as they are ineffective.
 - Accrual tests at year end.
- Transactions and Balances tested in total:
 - Cash & Investments tested via confirmations from the San Mateo Pool and insurance trust.
 - Capital assets tested via corroboration with capital outlay and board authorizations on a test basis and estimate of depreciation
 - Compensated balances via estimation
 - Claim payable via claims loss run and actuarial studies if any

- Evaluate overall duty assignment including:
 - Focused attention to conflict of duties – employees with access to assets and related recorded used to control and account for those assets
 - Tests of mitigating controls
- Information System controls tests:
 - An information system review is performed by our IT specialist
 - Application controls tested via transaction cycle tests
- Perform compliance tests
 - TFCA Program
 - Single Audit Act: Federal regulations applicable to federal awards
 - Certain Government code provisions applicable to cash and investments
 - Local policy compliance, typically:
 - Investment
 - Purchasing
- Financial Statement preparation assistance
 - Staff has requested that we provide assistance the preparation of financial statements and disclosures.
 - We are satisfied staff have the capability to perform this task themselves.
 - Financial statement presentation and disclosures are evaluated and amendment proposed as needed

Audit Timing

We have met with staff and agreed the following schedule:

- Interim fieldwork: Completed in July, 2008
- Final and Single Audit fieldwork: Two weeks starting January 12, 2009
- Report Presentation: February, 2009

Management Representations

We will request representations from management that data and assertions provided are complete and accurate. We rely primarily on our audit verification tests and procedures, however, management assertions and judgments unavoidably affect financial data.

Fraud Considerations: Statement of Audit Standard (SAS) #99, *Consideration of Fraud in a Financial Statement Audit*. This Standard came out of the fall out of Enron/WorldCom and other private sector frauds.

1. “Fraud” is defined as an intentional act that results in a *material misstatement in financial statements* that are subject to audit. In this case, fraud includes two concepts:
 - a. Fraudulent financial reporting:
 - i. Misstatement including misapplication of accounting principals, omission of data or disclosures, fictitious transactions or sham transactions
 - ii. Concealment
 - b. Misappropriations of assets:
 - i. Theft
 - ii. Concealment
 - iii. Conversion
2. SAS #99 requires an inquiry of client
 - a. Client officials to include:
 - i. Budget & Finance Committee
 - ii. Director of Administration and Incentives
 - b. Areas to be discussed:
 - i. Is management aware of known instances of fraud?
 - ii. Are there areas you believe are “Susceptible to Fraud”
 - c. Areas automatically deemed susceptible to fraud:
 - i. Improper revenue recognition
 - ii. Management override of Internal Control
3. SAS #99 also requires that we address our client’s “Fraud Risk Assessment and Monitoring Programs” (AKA internal controls plus)
 - a. Prevention techniques
 - b. Deterrence techniques
 - c. Detection techniques

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Daly and Members
of the Budget & Finance Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 5, 2008

Re: Addition of One Air Quality Program Manager Position to Support Increased
Staffing of the Grant Programs

RECOMMENDATION:

Consider recommending to the Board of Directors that one Air Quality Program Manager position be added to the budget for the current Fiscal Year.

BACKGROUND

The Air District's Grant Programs have grown tremendously over the past eighteen months, with a doubling in the amount of funding administered from \$44 million in FY 07-08 to \$87 million in FY 08-09. Accordingly, staff levels have also been increased to handle the administration of the grant programs.

DISCUSSION

The increased staffing has been significant and sudden, which has in turn necessitated additional supervision. A supervisor position was added a year ago, but there is still a single manager position for a section that now has a staff of 16. A more typical manager to staff ratio is in the range of 8 to 10 positions per manager. In order to avoid problems administering the grant funds correctly, a manager has been reassigned from another division, however, an additional manager position is indicated as a long term alternative. Staff has concluded that this action is a prudent step to provide sufficient oversight and ensure correct administration of the grant funds.

FINANCIAL IMPACT:

The cost of adding an Air Quality Program Manager position would be approximately \$123,116 annually, including salary-driven benefit costs. In the current Fiscal Year, the cost would be approximately half that amount, assuming that the position was filled in January of 2009.

Although this increased cost was not contemplated in the current budget, there is a portion (5%) of the grant funding received by the Air District that can be used to administer the programs, and there is sufficient funding to support the additional position.

Respectfully Submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Michael Rich

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 22, 2008

Re: Report of the Mobile Source Committee Meeting of September 25, 2008

RECOMMENDED ACTIONS

The Committee may recommend Board of Directors' approval of the following items:

- A) Allocation of \$11,790,697 in funding from a combination of Fiscal Year (FY) 2008/2009 TFCA Regional funds and Mobile Source Incentive Fund (MSIF) funds for the forty-six projects listed in Attachment 1;
- B) Allocation of \$1,744,627, pending available funding, for seven projects listed in Attachment 2, using FY 2008/2009 TFCA Regional Funds; and
- C) Authorize the Executive Officer to expend funding on eligible projects and to enter into funding agreements with recipients of grant awards for the projects listed in Attachments 1 and 2.

DISCUSSION

The Mobile Source Committee will meet on Thursday, September 25, 2008. The Committee will consider and receive the following reports and recommendations;

- A) Consideration of Transportation Fund for Clean Air (TFCA) Regional Fund Projects and Mobile Source Incentive Fund Projects;
- B) Status Report on California Goods Movement Bond (I-Bond) Funding Progress; and
- C) Status Report on the California Air Resources Board Audit of the Carl Moyer Program.

Attached are the staff reports presented in the Mobile Source Committee packet.

Chairperson, Tim Smith will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Allocations are budgeted in FYE 2008/2009 budget for TFCA Regional Funds that were set aside for vehicle advanced technology demonstrations and in the Mobile Source Incentive Fund.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Smith and
Members of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 18, 2008

Re: Consideration of Transportation Fund for Clean Air (TFCA) Regional Fund
Projects and Mobile Source Incentive Fund (MSIF) projects

RECOMMENDED ACTIONS

Recommend Board of Directors (Board) approval of Staff Recommendations for:

1. The allocation of \$11,790,697 in funding from a combination of Fiscal Year (FY) 2008/2009 TFCA Regional funds and Mobile Source Incentive Fund (MSIF) funds for the forty-six projects listed in Attachment 1;
2. The allocation of \$1,744,627, pending available funding, for seven projects listed in Attachment 2, using FY 2008/2009 TFCA Regional Funds; and
3. Authorization for the Executive Officer to expend funding on eligible projects and to enter into funding agreements with recipients of grant awards for the projects listed in Attachments 1 and 2.

BACKGROUND

Pursuant to California Health and Safety Code Sections 44241 and 44242, the Air District imposes a \$4 per vehicle annual surcharge on all motor vehicles registered within the boundaries of the Air District. This surcharge is the funding source for the Air District's program known as the Transportation Fund for Clean Air (TFCA). TFCA revenues are awarded to public agencies and non-public entities to implement eligible projects that reduce motor vehicle emissions and support the implementation of selected transportation and mobile source control measures in the Air District's strategies to achieve state and national air quality standards.

By law, 60% of TFCA revenues after audit costs are allocated by the Air District; this portion is known as the TFCA Regional Fund. Portions of the TFCA Regional Fund are earmarked for eligible programs implemented directly by the Air District, including the Smoking Vehicle Program, the Spare the Air Program, and the Vehicle Buy Back Program. The balance is allocated on a competitive basis to eligible projects proposed by eligible project sponsors.

On April 2, 2008, the Board allocated FY 2008/2009 TFCA Regional Funds totaling \$1,000,000 to clean-air vehicle advanced technology demonstration projects, and \$600,000 to the Bicycle Facility Program.

Revenues from an additional \$2 surcharge in motor vehicle registrations, authorized by Assembly Bill 923, are used to implement the Air District's Mobile Source Incentive Fund (MSIF), which provides grants for the implementation of additional mobile source projects.

The FY 2008/2009 Regional Fund Call for Projects closed on June 30, 2008. The Air District received 79 grant applications totaling approximately \$20.3 million in funding requests. Two grant applications were found to be ineligible because they did not meet program policies. Fifty-three projects met all the relevant eligibility criteria, including cost-effectiveness. Staff is recommending the award of grants totaling approximately \$11.3 million in TFCA Regional Funds and up to \$514,031 in MSIF funds for 46 eligible projects listed in Attachment 1, and the contingent award of grants totaling approximately \$1.7 million to seven eligible projects listed in Attachment 2, to be funded as funds become available.

DISCUSSION

A discussion of the TFCA Regional Fund process follows.

TFCA Regional Fund Schedule

The milestone dates of the grant application and review process are outlined below.

Action	Date
Issue Application Guidance	April 30, 2008
Outreach	May - June, 2008
Application Submittal Deadline	June 30, 2008
Evaluation of Applications	July 2 – September 8, 2008

Solicitation and Outreach

The Air District opened the Call for Projects on April 30, 2008. Staff conducted extensive outreach to encourage the submittal of grant applications. These activities were integrated with those of the concurrent Goods Movement Program. In addition to emails, post cards, and a press release, the Air District conducted outreach at eleven venues including six application workshops (one in each of the six designated Highly Impacted Communities) and presentations at five other venues. These venues included a local Air Resources Board workshop, a truck dealership, a dump-truck owners association, and a meeting of senior city planners from Oakland and San Leandro.

Evaluation Criteria

The Board-adopted criteria to score and rank TFCA Regional Fund grant applications for FY 2008/2009 are shown in Table 1. The evaluation criteria emphasize cost effectiveness in reducing emissions by allotting 60% of the total possible points to this criterion. Cost effectiveness is calculated by dividing the total TFCA funds proposed for the project by a factor representing the estimated lifetime emission reductions for the project, yielding TFCA

funds per ton of reduced emissions. The Board-approved cost effectiveness threshold is set at \$90,000/ton of reduced emissions.

Table 1: FY 2008/2009 TFCA Regional Fund Scoring Criteria

Criteria	Maximum Points
1. TFCA Cost Effectiveness	60
2. Greenhouse Gas Emission Reductions	10
3. Other Project Attributes	5
4. Clean Air Policies and Programs	10
5. Sensitive and Particulate Matter-Impacted Communities, including Highly Impacted Communities	10
6. Priority Development Areas	5
Total	100

The Board establishes minimum point scores for projects to be eligible to receive TFCA Regional Funds. For the FY 2008/2009 funding cycle, the minimum scores are 40 points for public agency projects and 36 points for non-public entity projects. The intent of this policy is to assure that TFCA funding is provided only to projects that achieve an acceptable level of cost effectiveness and benefit to the region.

Returned and Withdrawn Grant Applications

Staff reviewed the applications to determine eligibility, based on compliance with all relevant policies adopted by the Board to govern the TFCA program. Table 2 provides a listing of grant applications that were returned because they were deemed as not eligible for funding based on one or more of the Board-adopted policies.

Table 2: Returned Grant Applications

Sponsor	Project	Reason
Clear Thinking Solutions	Clean Air Conversion Transportation (Vehicle conversions and vanpool service)	Did not comply with TFCA Regional Fund Policies 25 and 26, which do not allow vehicle conversions, and Policy 5, which restricts vanpool and rideshare programs to public agencies.
City of Sausalito	Fuelmaker Improvement (A natural gas fueling station upgrade)	Did not comply with TFCA Regional Fund Policy Policies 25, 26, and 29, which state that vehicle infrastructure is not eligible for TFCA funding except for Advanced Technology Demonstration Projects.

Available Funds

TFCA Regional Funds totaling approximately \$11.3 million are available for allocation in FY 2008/2009. These funds consist of projected receipts from motor vehicles registered in the Air District during calendar year 2008, funds available through the reconciliation of actual versus

projected receipts from previous years, interest on TFCA Regional Funds, and funds from previously approved projects that closed under budget or were canceled. Additionally, \$514,031 from MSIF may be used to fund vehicle projects that meet Carl Moyer guidelines. Table 3 provides a summary of the total TFCA Regional Funds and MSIF funds available.

Table 3: FY 2008/2009 TFCA Regional Funds

Source/Program	Amount	Comment
1. Projected CY 2008 DMV Receipts	\$22,436,590	Based on CY 2007 actual receipts.
2. FY 2008/09 District Admin. Cost	\$ 1,469,610	Per adopted Air District budget including indirect costs.
3. FY 2008/09 County Program Manager Funds	\$ 8,386,792	(Line 1 minus Line 2) multiplied by 0.40.
4. New FY 2008/09 Funds Available for Regional Fund	\$12,580,188	Line 1 minus Lines 2 and 3.
5. Projected CY 2008 Regional Fund Interest	\$ 1,686,837	Based on CY 2007 actual Regional Fund interest.
6. Total Available New Funds for Regional Fund	\$14,267,025	Line 4 plus Line 5.
7. Returned Funds (as of 9/9/08)	\$ 5,297,308	Canceled projects, projects completed under budget, projects needing less funding than allocated by Board.
8. Total Regional Funds	\$19,564,333	Line 6 plus Line 7
9. Port Trucks	\$ 5,000,000	Reserved to match Goods Movement Bond funds, per Board action of 5/21/08
10. FY 2008/09 Board-Approved District Projects	\$ 4,210,952	Smoking Vehicle \$1,041,097 Spare The Air \$1,402,345 Bicycle Facility Program \$600,000 Air District Overhead charges \$1,167,510
11. Reconciliation of projected and actual receipts	\$ 923,285	Available funds from reconciliation between projected and actual receipts received
12. Total Available for FY08/09 Regional Fund Grant Awards	\$11,276,666	Line 8 minus Lines 9 and 10, plus Line 11
13. Mobile Source Incentive Funds	\$ 514,031	For projects that can meet the guidelines of the Carl Moyer Program
14. Total Available Grant Funds and Grant Awards Recommended	\$11,790,697	Line 12 plus Line 13; Funding 46 projects, Attachment 1
15. Recommended Contingent Regional Fund Grant Awards	\$ 1,744,627	7 projects, Attachment 2

Signed Funding Agreements

TFCA Regional Fund Policy #16 states that project sponsors that had not signed a funding agreement from a previous funding cycle by the current TFCA Regional Fund grant application deadline would not be eligible for a new TFCA grant. The projects recommended for FY

2008/2009 TFCA Regional Fund grant awards include projects from two sponsors that did not sign funding agreements with the Air District by the June 30, 2008, application deadline. The sponsors are the Metropolitan Transportation Commission and the San Francisco International Airport. In both cases, the reasons related primarily to legal and insurance issues. The project sponsors have since signed the agreements and begun implementation of their projects.

FY 2007/2008 Projects

At the time of the FY 2007/2008 TFCA Regional Fund grant awards, the Committee requested Air District staff to review projects that were not cost-effective, but that were otherwise eligible under the TFCA policies, and to contact the project sponsors to determine if a lower request amount could be recommended for funding. Staff found three such projects and contacted the sponsors. In two cases, the projects were found to be not cost-effective even with lower requests. In the third case, the City of Sunnyvale, the FY 2007/2008 project was incorporated in an FY 2008/2009 project that is recommended for FY 2008/2009 funding.

Project Funding

Fifty-three (53) projects, totaling approximately \$13,535,324 million in funding requests, met the minimum point score and complied with the \$90,000 per ton cost-effectiveness threshold. Attachment 1 lists the final project scores and ranking for the eligible projects for which there is funding available. Attachment 2 lists the same information for projects that may proceed at a later time, pending availability of funds.

Up to three (3) vehicle projects may qualify for Mobile Source Incentive Funds, because they are likely to meet the guidelines of the Carl Moyer Program. The first recommended Board action includes the award of up to \$514,031 in MSIF funds to eligible projects.

Projects Not Recommended for Funding

Attachment 3 lists the projects that are not recommended for funding because they did not achieve the minimum point score required—40 points for public agencies or 36 points for non-public entities, because sufficient information for determining cost-effectiveness was not provided, or because the sponsor proposed a demonstration of an advanced technology that is already funded and awaiting results.

Emission Reductions

The 53 projects listed on Attachments 1 and 2 would result in estimated emission reductions of 576 tons of ozone precursors and particulate matter (PM), and over 83,000 tons of carbon dioxide (CO₂) over the life of the projects. The resulting aggregate cost effectiveness estimated for these projects is approximately \$11,700/ton^a.

Impacted Communities

^a TFCA dollars per ton of emissions reduction (ozone precursors and weighted particulate matter). The cost effectiveness calculations used for project evaluation includes a weighted factor of 20 for the reduction of tailpipe particulate matter emissions, consistent with the California Air Resources Board Carl Moyer Program guidelines.

The 53 projects listed on Attachments 1 and 2 that would reduce emissions in Highly Impacted Communities, as defined by the Air District's Community Air Risk Evaluation (CARE) program, represent over 31% of all the funds recommended for allocation, and over 31% of the total annual emission reductions from all recommended projects. The Highly Impacted Communities are Eastern San Francisco, West Oakland, East Oakland/San Leandro, Richmond, San Jose, and Concord. Per new Board-approved policies and evaluation criteria, projects in these communities receive additional credit in the FY 2008/2009 TFCA Regional Fund cycle.

Grant Allocations Summary

Table 4 shows the funding, by project type, for the 53 projects not administered by the Air District that are recommended to receive TFCA Regional Fund grant awards and are shown on Attachments 1 and 2.

**Table 4:
Recommended FY 2008/2009 TFCA Regional Fund Grant Allocations by Project Type**

Project Type	No. of Projects	TFCA \$	Approx. % of Total TFCA Regional Fund \$
Diesel Repowers / Retrofit	33	\$ 5,068,041	37%
Shuttle Buses	5	\$ 2,069,000	15%
Trip Reduction / Ridesharing Projects	3	\$ 1,500,000	11%
Transit / School Buses	2	\$ 911,000	7%
Arterial Management Projects	3	\$ 1,544,150	11%
Advanced Tech. Demon. Project	1	\$ 556,500	4%
Light-Duty Vehicles	2	\$ 478,800	4%
Smart Growth Project	1	\$ 600,000	5%
Natural Gas Vehicles	3	\$ 807,832	6%
Totals	53	\$ 13,535,324	100%

Staff recommends allocating \$556,500 of the \$1,000,000 in FY 2008/2009 TFCA Regional Funds that were set aside for vehicle advanced technology demonstrations. Two such applications were received in this funding cycle. The first proposed the conversion of vehicles to a hydrogen/compressed natural gas fuel blend and installation of related fueling infrastructure, and this project is recommended for funding. The second application proposed \$135,000 for the installation of Networkcar devices and ongoing monitoring on over 1200 vehicles. A Networkcar demonstration project was recently approved for TFCA funding in Napa County, and staff recommends not funding another such project, given that the Napa County project is ongoing and that emissions reductions data are still being developed. The remaining \$443,500 would be applied to other TFCA Regional Fund projects, as would any funds realized if the recommended project above is later completed under budget or cancelled.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer /APCO

Prepared by: David Wiley
Reviewed by: Jack M. Colbourn

ATTACHMENT 1
TFCA Regional Fund Grant Applications - FY 2008/2009
Projects Recommended for Funding

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R12	ALA	P	Metropolitan Transportation Commission	Implement the Regional Rideshare Program, which provides coordinated carpool and vanpool formation assistance, and information on transportation alternatives such as Bike to Work Day, Rideshare Thursday and Spare the Air	1	\$9,873	\$1,000,000	\$1,000,000	60	1	5	10	10	4	90
08R68	ALA	P	Alameda County Congestion Management Agency	Integrated Corridor Management (Smart Street) project that would improve and enhance overall highway, arterial and transit network along San Pablo Avenue	4	\$2,392	\$1,155,000	\$2,155,000	60	9	5	5	5	5	89
08R74	CC	P	Richmond Community Redevelopment Agency	Pedestrian Improvements to Nevin Avenue east of the Transit Village to the Civic Center Complex	20	\$17,628	\$600,000	\$2,755,000	60	1	5	5	9	5	85
08R20	SF	P	San Francisco International Airport	Purchase 26 medium-duty compressed natural gas vehicles	4	\$21,281	\$273,000	\$3,028,000	59	0	5	9	8	3	84
08R65	SF	P	Presidio Trust	Purchase 1 heavy-duty bus	10	\$13,436	\$28,500	\$3,056,500	60	2	0	9	7	3	81
08R53	ALA	N-P	Yandell Truckaway, Inc.	Retrofit 20 heavy-duty trucks - Level 3 devices	5	\$3,394	\$362,436	\$3,418,936	60	0	5	0	10	3	78
08R66	REG	N-P	CA Multimodal Inc.	Purchase 25 heavy-duty liquified natural gas vehicles	10	\$22,405	\$500,000	\$3,918,936	58	3	5	0	8	3	77
08R06	SC	P	San Jose State University-Associated Students	Implement a transportation demand management program which provides alternative commute incentives and ridesharing information	1	\$35,691	\$100,000	\$4,018,936	52	2	5	5	7	5	76
08R54	SF	N-P	Delta Steel Erectors	Retrofit 1 heavy-duty vehicle - Level 3 device	5	\$28,627	\$14,910	\$4,033,846	55	0	5	0	9	5	74
08R76	SOL	P	Solano Transportation Authority	Develop and promote education and encouragement projects and programs as part of the Safe Routes to School Program	20	\$8,929	\$400,000	\$4,433,846	60	1	5	5	1	1	73
08R41	SON	N-P	North Bay Construction	Retrofit 5 heavy-duty trucks - Level 3 devices	5	\$20,709	\$97,329	\$4,531,175	59	0	5	0	6	3	73
08R44	ALA	N-P	PJ's Lumber Inc.	Retrofit 17 heavy-duty vehicles	5	\$20,928	\$268,425	\$4,799,600	59	0	0	0	9	5	73
08R17	SF	N-P	Bauer's Intelligent Transportation	Purchase 10 compressed natural gas heavy-duty vehicles	10	\$30,378	\$745,000	\$5,544,600	54	2	5	0	9	3	73
08R59	ALA	N-P	Pacific Water Trucks	Repower and retrofit 3 heavy-duty vehicles	5	\$14,068	\$154,430	\$5,699,030	60	0	0	0	7	4	71
08R50	SF	P	San Francisco International Airport	Retrofit 23 diesel shuttle vehicles - Level 3 devices	5	\$28,250	\$619,006	\$6,318,036	55	0	0	9	7	0	71
08R67	SON	P	Santa Rosa City Bus	Purchase 1 hybrid gasoline-electric bus	10	\$52,754	\$166,000	\$6,484,036	43	10	0	10	4	4	71

(1) REG = regional/multi-county, or entity outside Air District.

(2) P=Public Agency; N-P= Non-Public Entity.

(3) TFCA\$ divided by est. lifetime ER (ozone precursors and weighted PM). May include TFCA County Program Manager funds.

ATTACHMENT 1
TFCA Regional Fund Grant Applications - FY 2008/2009
Projects Recommended for Funding

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R86	SF	P	San Francisco International Airport	Retrofit 17 diesel shuttle vehicles - Level 3 PM devices	5	\$30,499	\$514,984	\$6,999,020	54	0	0	9	7	0	70
08R43	ALA	N-P	Monaghan Enterprises Inc.	Retrofit 2 heavy-duty vehicles - Level 3 devices	5	\$19,025	\$41,672	\$7,040,692	60	0	0	0	9	0	69
08R78	SF	P	San Francisco International Airport	Acquire 13 hydrogen/compressed natural gas blend vehicles and infrastructure (Advanced Technology Demonstration Project)	7	\$28,851	\$556,500	\$7,597,192	55	0	0	9	4	1	69
08R45	ALA	N-P	Pozas Brothers Trucking	Retrofit 11 heavy-duty vehicles	5	\$9,891	\$128,100	\$7,725,292	60	0	0	0	6	2	68
08R62	SON	P	West County Transportation Agency	Repower 2 school buses	7	\$17,831	\$91,750	\$7,817,042	60	0	0	3	3	2	68
08R29	CC	P	Contra Costa County	Retrofit four heavy-duty transport buses - Level 3 devices	5	\$16,606	\$70,000	\$7,887,042	60	0	0	3	4	0	67
08R48	SC	N-P	RH Trucking	Retrofit 1 heavy-duty truck - Level 3 devices	5	\$31,538	\$23,923	\$7,910,965	54	0	0	0	9	4	67
08R31	ALA	N-P	Gan-Trans, Ltd.	Retrofit 5 heavy-duty vehicles - Level 3 devices	5	\$16,018	\$101,680	\$8,012,645	60	0	0	0	0	5	65
08R56	REG	N-P	Cooper Crane & Rigging	Repower 3 heavy-duty vehicles	7	\$23,975	\$261,759	\$8,274,404	58	0	0	0	7	0	65
08R13	ALA	P	San Joaquin Regional Rail Commision	Operation of two peak-period shuttle buses between the Pleasanton ACE train station in downtown Pleasanton and the Dublin/Pleasanton BART station.	1	\$40,266	\$50,000	\$8,324,404	49	2	5	8	0	0	64
08R39	AL	N-P	MAG Trucking	Retrofit 1 heavy duty truck - PM Level 3 device	5	\$9,778	\$23,495	\$8,444,161	60	0	0	0	0	3	63
08R40	CC	N-P	Maggiora Baking	Retrofit 6 heavy-duty trucks - Level 3 devices	5	\$15,275	\$105,000	\$8,549,161	60	0	0	0	0	3	63
08R28	SC	P	City of Santa Clara	Retrofit 5 heavy-duty vehicles - Level 3 devices	5	\$46,181	\$96,262	\$8,420,666	46	0	0	9	6	2	63
08R19	SF	P	County of San Francisco	Purchase 98 gasoline-electric hybrid light duty vehicles	4	\$48,152	\$205,800	\$8,754,961	45	0	5	0	8	5	63
08R30	ALA	N-P	B & Z Transportation	Retrofit 1 heavy-duty vehicle - Level 3 device	5	\$26,899	\$10,400	\$8,765,361	56	0	0	0	0	5	61
08R15	SC	P	Santa Clara Valley Transportation Authority	Operation of eight peak-period shuttle bus routes from the Great America ACE train station in Santa Clara to employment sites in Palo Alto, Mountain View, Sunnyvale, Santa Clara, San Jose, and Milpitas	1	\$62,892	\$960,000	\$9,725,361	38	2	5	10	4	2	61

(1) REG = regional/multi-county, or entity outside Air District.

(2) P=Public Agency; N-P= Non-Public Entity.

(3) TFCA\$ divided by est. lifetime ER (ozone precursors and weighted PM). May include TFCA County Program Manager funds.

ATTACHMENT 1
TFCA Regional Fund Grant Applications - FY 2008/2009
Projects Recommended for Funding

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R63	SC	P	City of Sunnyvale	Purchase 4 heavy-duty compressed natural gas vehicles	10	\$81,862	\$279,332	\$10,004,693	29	9	5	8	8	2	61
08R79	ALA	N-P	Gurinder Pannu	Repower and retrofit 1 heavy-duty vehicle	5	\$14,359	\$69,620	\$10,117,192	60	0	0	0	0	0	60
08R36	SON	N-P	Hanson Transport, Inc.	Retrofit 2 heavy-duty vehicles - Level 3 devices	5	\$26,470	\$31,955	\$10,219,747	56	0	0	0	2	2	60
08R38	SM	N-P	Blue Ribbon Supply	Retrofit 3 heavy-duty vehicles - Level 3 devices	5	\$31,796	\$42,878	\$10,047,572	54	0	0	0	6	0	60
08R46	ALA	N-P	San Jin Gen Supply, Inc.	Retrofit 5 heavy-duty vehicles	5	\$49,141	\$70,600	\$10,187,792	45	0	0	0	10	5	60
08R71	CC	P	City of San Ramon	Installation of an adaptive traffic signal synchronization control system on Crow Canyon Rd.	4	\$50,925	\$124,700	\$10,344,447	44	0	0	9	0	5	58
08R51	SF	P	San Francisco MTA	Retrofit 22 heavy-duty vehicles - Level 3 device	5	\$66,905	\$438,507	\$10,782,954	36	0	0	10	8	4	58
08R85	CC	P	County of Contra Costa	Retrofit 4 heavy-duty dump trucks - Level 3 devices	5	\$24,164	\$21,000	\$10,803,954	57	0	0	0	0	0	57
08R23	ALA	N-P	Friedman Brothers Hardware	Retrofit 11 heavy-duty vehicles - Level 3 devices	5	\$48,082	\$147,913	\$10,951,867	45	0	0	0	6	4	55
08R42	SOL	N-P	Pacific Rim Recycling	Retrofit 4 heavy-duty vehicles - PM Level 3 devices	5	\$30,100	\$87,097	\$11,038,964	54	0	0	0	0	0	54
08R21	ALA	N-P	Rodgers Trucking Company	Retrofit 6 heavy-duty trucks - Level 3 devices	5	\$50,452	\$66,357	\$11,105,321	44	0	0	0	10	0	54
08R81	CC	N-P	Farwest Sanitation	Retrofit 10 heavy duty vehicles - Level 3 devices	5	\$34,490	\$161,688	\$11,267,009	52	0	0	0	1	0	53
08R25	ALA	N-P	Challenge Dairy Products, Inc.	Retrofit 17 heavy-duty vehicles - Level 3 devices	5	\$48,735	\$225,063	\$11,492,072	45	0	0	0	7	0	52
08R07	SM	P	City of Redwood City	Provide peak period shuttle service from the Redwood City Caltrain Station, to the Redwood City downtown area and the Mid Point Technology Business Park	1	\$81,150	\$15,000	\$11,507,072	29	3	5	9	5	1	52
08R16	SM	P	Peninsula Corridor Joint Powers Board	Operation of 30 peak-period shuttles to/from various Caltrain Stations and employment sites in San Mateo and Santa Clara Counties (partial)	1	\$77,728	\$283,625	\$11,790,697	31	2	5	8	4	0	50

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(3) TFCA\$ divided by est. lifetime ER (ozone precursors and weighted PM). May include TFCA County Program Manager funds.

ATTACHMENT 2
TFCA Regional Fund Grant Applications - FY 2008/2009
Projects Recommended for Funding Pending Available Funding

Project #	County (1)	Public / Non-Public (2)	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton (3)	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R16	SM	P	Peninsula Corridor Joint Powers Board	Operation of 30 peak-period shuttles to/from various Caltrain Stations and employment sites in San Mateo and Santa Clara Counties (partial)	1	\$77,728	\$716,375	\$716,375	\$31	2	5	8	4	0	50
08R72	CC	P	City of San Ramon	Installation of an adaptive traffic signal synchronization control system on Bollinger Canyon Road	4	\$70,698	\$264,450	\$980,825	34	0	0	9	0	5	48
08R37	CC	N-P	Independent Construction	Retrofit 11 heavy-duty vehicles - Level 3 devices	5	\$54,344	\$177,857	\$1,158,682	42	0	0	0	4	0	46
08R60	SON	N-P	Ramm Rock and Landscape	Repower and retrofit 4 heavy-duty vehicles	5	\$60,588	\$341,309	\$1,499,991	39	0	0	0	4	3	46
08R14	ALA	P	San Joaquin Regional Rail Commision	Operation of 2 peak-period shuttle buses between the Pleasanton ACE train station in downtown Pleasanton and the Dublin/Pleasanton BART Station	1	\$87,078	\$44,000	\$1,543,991	26	3	5	8	0	0	42
08R24	CC	N-P	California Shingle & Shake	Retrofit 7 heavy-duty vehicles - Level 3 devices	5	\$76,992	\$138,412	\$1,682,403	31	0	0	0	6	5	42
08R49	CC	N-P	Rich Ladeira Trucking, Inc.	Repower and retrofit 1 heavy-duty vehicle	5	\$64,738	\$62,224	\$1,744,627	37	0	0	0	0	4	41

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(3) TFCA\$ divided by est. lifetime ER (ozone precursors and weighted PM). May include TFCA County Program Manager funds.

ATTACHMENT 3
TFCA Regional Fund Grant Applications - FY 2008/2009
Projects Not Recommended for Funding

Project #	County ⁽¹⁾	Public / Non-Public ⁽²⁾	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton ⁽³⁾	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R05	ALA	P	AC Transit	Increase service on weekday feeder bus service on Line 52L	1	Negative	\$435,000	\$435,000	0	0	0	7	5	3	15
08R57	ALA	N-P	Alviso Rock	Repower and retrofit 7 heavy-duty trucks	5	CBD (4)	\$400,861	\$835,861	CBD	0	0	0	0	0	CBD
08R84	ALA	N-P	Alviso Rock	Repower and retrofit 7 heavy-duty trucks	5	CBD	\$467,671	\$1,303,532	CBD	0	0	0	0	0	CBD
08R82	CC	N-P	BC McCosker Construction	Retrofit 4 heavy-duty vehicles - Level 3 devices	5	\$118,232	\$71,861	\$1,375,394	0	0	0	0	4	0	4
08R69	ALA	P	City of Alameda	The implementation of Traffic Signal Prioritization along Constitution Corridor	4	\$833,296	\$315,000	\$1,690,394	0	0	5	9	3	0	17
08R08	ALA	P	City of Berkeley	Operation of 1 peak-period gasoline shuttle bus route from the Ashby BART station to the West Berkeley area employers during morning and afternoon peak periods	1	\$98,923	\$26,250	\$1,716,644	0	3	10	9	5	5	32
08R70	CC	P	City of Martinez	Adjustment of signal timing at seven traffic signals on Alhambra Avenue	4	\$298,475	\$23,100	\$1,739,744	0	0	0	6	3	0	9
08R26	MAR	P	City of Novato	Retrofit 5 heavy-duty vehicles - Level 3 devices	5	\$233,800	\$80,555	\$1,820,299	0	0	0	9	0	0	9
08R27	ALA	P	City of Pleasanton	Retrofit 3 heavy duty vehicles - Level 3 devices	5	\$206,995	\$46,089	\$1,866,388	0	0	0	0	1	0	1
08R73	SC	P	City of Sunnyvale	Installation of Adaptive Traffic Control system on 6 signalized intersections on Wolfe Road	4	\$128,727	\$520,000	\$2,386,388	0	0	0	8	0	0	8
08R77	SOL	P	City of Vallejo	Purchase biodiesel fuel	1	CBD	\$1,500	\$2,387,888	CBD	0	0	0	0	0	CBD
08R83	CC	P	County of Contra Costa	Purchase 20 gasoline-electric hybrid and 16 compressed natural gas vehicles	5	\$220,803	\$80,000	\$2,467,888	0	0	0	5	0	4	9
08R11	MAR	P	County of Marin	Door-to-door marketing of travel information options to households in selected census tract areas in San Rafael, Novato, Larkspur, and Greenbrae	2	\$90,230	\$530,000	\$2,997,888	0	4	0	8	1	0	13
08R18	SC	P	County of Santa Clara	Install Networkcar devices and subscribe to a service to monitor emissions performance of vehicles	N/A	CBD	\$135,000	\$3,132,888	CBD	CBD	0	9	8	4	CBD

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(4) CBD=Cannot Be Determined

ATTACHMENT 3
TFCA Regional Fund Grant Applications - FY 2008/2009
Projects Not Recommended for Funding

Project #	County ⁽¹⁾	Public / Non-Public ⁽²⁾	Sponsor	Project Description	Yrs Effective	TFCA \$ Per Ton ⁽³⁾	TFCA \$	Cumulative Total \$	CRITERIA POINT SCORES						
									TFCA Funding Effectiveness	Greenhouse Gas ER	Other Attrib.	Clean Air Pol.	Sensitive and PM Impacted	Priority Dev't Areas	TOTAL SCORE
08R55	SOL	P	County of Solano	Repower and retrofit 1 heavy-duty vehicle	5	\$237,465	\$58,187	\$3,191,075	0	0	0	0	0	0	0
08R09	SON	P	County of Sonoma	Establish and promote 15 new vanpools for employers located in business parks and large employer locations in Santa Rosa along the U.S. 101 Corridor	2	\$219,029	\$80,200	\$3,271,275	0	10	2	3	0	0	15
08R64	SOL	N-P	Devine Intermodal	Purchase 1 zero emission electric tractor	10	\$3,608,537	\$242,384	\$3,513,659	0	10	0	0	0	0	10
08R10	MAR	P	Golden Gate Bridge and Highway District	Provide peak-period feeder bus service to the Larkspur Ferry Terminal	2	\$709,074	\$583,753	\$4,097,412	0	10	0	9	9	0	28
08R58	ALA	N-P	Mag Trucking Inc.	Repower and retrofit 1 heavy-duty vehicle	5	CBD	\$66,810	\$4,164,222	CBD	0	0	0	0	0	CBD
08R22	ALA	N-P	Oakland Pallet	Retrofit 14 heavy duty vehicles - Level 3 devices	5	CBD	\$181,818	\$4,346,040	CBD	0	0	0	8	0	CBD
08R47	NAP	N-P	Reza Ghazanfari	Retrofit heavy-duty truck - PM device	5	CBD	\$28,000	\$4,374,040	CBD	0	0	0	0	0	CBD
08R75	SF	P	San Francisco MTA	Reduce lanes from 4 to 3, with wider curb lanes for transit buses and pedestrian islands, on Fulton Street between Stanyan and Baker Streets	20	\$171,234	\$149,000	\$4,523,040	0	9	5	10	7	0	31
08R61	NAP	N-P	Stagecoach Vineyard	Repower 1 heavy-duty vehicle	7	\$207,471	\$60,395	\$4,583,435	0	0	0	0	0	0	0
08R52	SM	N-P	TNT Enterprise	Retrofit 8 heavy-duty diesel trucks - Level 3 devices	5	\$71,991	\$115,440	\$4,698,875	34	0	0	0	1	0	35

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BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Smith and
Members of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 10, 2008

Re: Status Report on California Goods Movement Bond (I-Bond) Funding
Process

RECOMMENDED ACTION

Informational report, receive and file.

BACKGROUND

In November 2006, California voters authorized the Legislature to appropriate \$1 billion in bond funding to the California Air Resources Board (ARB) to quickly reduce air pollution emissions and health risk from freight movement along California's priority trade corridors. On February 28, 2008, ARB approved an allocation of \$140 million for the Bay Area trade corridor (\$35 million per year over the next four years.)

Under the guidelines for the program, the District was then required to submit an application to ARB on April 4, 2008, for the remainder of the \$35 million available less an early grant amount and administrative costs (\$31.1 million). ARB staff has accepted the District's application and the following is a summary of what was approved by the ARB Board of Directors on May 22, 2008:

Table 1 -Summary of I-Bond Application

Project Type	Funding requested
Trucks at Ports and Intermodal Railyards*	\$6.3 million
Other Goods Movement Trucks*	\$17.4 million
Locomotives	\$3.1 million
Marine harbor craft	\$4.3 million
Total	\$31.1 million

*retrofits, repowers and replacements

DISCUSSION

Subsequent to the approval of this funding by the ARB, the District's Board of Directors took the historical step on June 4, 2008, of reserving an additional \$5 million in Transportation Fund for Clean Air (TFCA) funds limited at \$5,000 per device to provide diesel particulate retrofits for trucks at the Port of Oakland. In order to expend these funds, staff opened a call for projects for Port trucks on May 16, 2008. This call for projects ended on August 15, 2008 and involved the following outreach:

Outreach

- 6 workshops to discuss I-Bond and TFCA programs
- Distribution of materials to 75 local trucking firms by District Inspectors
- 15 meetings with truck owners (firms and independent owners) involved in trucking operations
- 7 speaking engagements including the Oakland Branch of the California Trucking Association and Port's Comprehensive Truck Management Plan (CTMP) meetings
- Partnering with local community and activist groups to distribute 1,000 leaflets at truck scales around the Port of Oakland and a weekend outreach event for Port Drayage truckers
- Establishment of an outreach Center on the Port of Oakland truck route that assisted 350 truckers to file Port drayage truck applications.

In addition to these efforts, the District published items in several trade magazines including "Heavy Duty Trucking" a national industry publication and sent out over 9,000 postcards to registered truck owners in the Bay Area including port truckers.

Results

As a result of these efforts, the District received the following number and type applications:

Table 2 - Summary of I-Bond Applications Received

Category	Number of Applications Received	Dollar Amount Requested
Port Drayage Truck Retrofits	538	\$2,690,000
Port Drayage Truck Repowers	5	\$125,000
Port Drayage Truck Replacements	484	\$24,200,000
Other Goods Movement Truck Retrofits	279	\$1,395,000
Other Goods Movement Truck Repowers	25	\$625,000
Other Goods Movement Truck Replacements	615	\$30,750,000
Locomotives	4	\$2,900,000
Marine Harbor Craft	4	\$650,000
Total	1,954	\$63,335,000

Next Steps

Staff and its consultant (TIAX LLC) are currently entering this information into a District database in order to determine the eligibility of applications received. As part of this process duplicate applications will be eliminated and those with incomplete applications will be contacted to submit supplemental information. Staff anticipates presenting the Committee with an update on this process and with recommendations at either its October or November meeting.

BUDGET CONSIDERATION / FINANCIAL IMPACT

The I-Bond Program distributes funds from ARB to the District and then to eligible equipment owners. Staff costs for the administration of the Program are included under Programs 321 "California Goods Movement Bond - Early Grants" and 323 "California Goods Movement Bond Grants" in the FY 2008/2009 budget.

The District may use motor vehicle surcharge revenues to match a portion of the eligible projects recommended for funding that qualify. As such, any matching funds allocated will have no impact on the Air District's budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Damian Breen
Reviewed by: Jack M. Colbourn

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Smith and
Members of the Mobile Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 10, 2008

Re: Status Report on the California Air Resources Board (ARB) Audit of the
Carl Moyer Program (CMP)

RECOMMENDED ACTIONS

None. Informational report, receive and file.

BACKGROUND

In June, 2007, the ARB conducted its first ever audit of the Bay Area Air Quality Management District's (District) CMP. This audit identified significant deficiencies in the program related to eligibility determination, reporting, expenditure of funds and contract enforceability. As a result of this audit, the District was required to submit a remediation action plan to ARB identifying how it would correct these deficiencies. This plan, *"Program Remediation and Improvement Plan for the Carl Moyer and the Lower Emissions School Bus Program"* (plan), was produced by the District on September 30, 2007. The stated goal of this plan was to remediate all audit findings, improve the District's Program to become a leader in the State of California and to minimize errors in all District grant programs based on lessons learned from the remediation process.

In order to gauge the District's progress in achieving its goals, the ARB mandated that the District report at two intervals (January 31 and April 30, 2008) on progress made towards meeting the milestones and timelines outlined as part of the plan. Additionally, the ARB agreed to revisit the District's program in May 2008 in order to perform a follow-up audit. This document presents a summary of the results from that follow-up audit.

DISCUSSION

Between May 6, 2008 and September 8, 2008, District staff has been assisting the ARB to review progress made in remediating the findings associated with the 2007 audit of the CMP. This process has been highly cooperative and has let both staffs to better understanding of the audit process and the operation of the CMP. Additionally, this cooperation has allowed ARB to conduct an in-depth assessment of the District's remediation efforts and its new program for CMP Year 10. The results of this audit can be summarized as follows:

- The District has made great strides to correct the operation of its program since the 2007 CMP audit. Significant improvements have been made in the areas of policies, record-keeping and accounting practices.
- Operation of the current Year 10 CMP demonstrates this progress and that the District's is on the right track toward achieving its goal of completely remediating its program by the end of 2008.
- Any remaining issues are typical of any similar size incentive program in the State.

Remaining Issues

Based on its review of the program the ARB has found the following:

Issue: The District must complete its remediation of the historical CMP by the end of 2008 in compliance with its plan.

Response: Staff are targeting the end of October/early November to provide final reports to the ARB on emissions calculations, match projects and expenditures for CMP Program Years 1 through 9.

Issue: In certain cases, work began on School-bus replacement projects prior to the grantees having fully executed contracts with the District.

Response: Staff has examined its contracting process and this issue has already been remedied as part of the School-bus Program in Fiscal Year (FY) 08/09.

Issue: Due to the fact that the District returned School-bus retrofit funds to the State, the ARB wishes to impose a 25% retrofit goal to be achieved as part of the FY 08/09 program.

Response: Staff is working with the ARB to target its outreach for its School-bus program and will be putting together a plan to achieve the retrofit goal.

Next Steps

Staff will be working with the ARB to determine whether the remaining issues are classified as findings or recommendations. This process will conclude in October when the ARB will issue a final audit letter. By that stage, many of these issues will have been resolved and this should be reflected in ARB's final report.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer /APCO

Prepared by: Damian Breen
Reviewed by: Jack M. Colbourn

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson, Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 22, 2008

Re: Report of the Public Outreach Committee Meeting of September 26, 2008

RECOMMENDED ACTIONS

The Committee may recommend Board of Directors' approval of the follow:

- A) Use of carry over funds in the amount of \$200,000 to offer \$200 rebates for the purchase and installation of new gas stoves and inserts for the Wood Smoke Reduction Rebate Program;
- B) Authorize the Executive Officer/APCO to execute contract extensions to assist with public outreach for Advertising Design and Production with O'Rorke, in an amount not to exceed \$550,000; and for Media Relations and the Employer Program with Allison & Partners, not to exceed \$250,000.

DISCUSSION

The Public Outreach Committee will meet on Friday, September 26, 2008. The Committee will receive the following report and presentations:

- A) Overview of 2008 Spare the Air Everyday Campaign;
- B) Update on Development of Wood Smoke Outreach Campaign;
- C) Consideration of Wood Smoke Reduction Rebate Program;
- D) Consideration of Recommendation to Extend Public Outreach Contracts; and
- E) Youth Outreach Program for Back-to- School.

Attached are the staff reports presented in the Public Outreach Committee packet.

Chairperson Ross will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) The Wood Smoke Reduction Rebate program will be using carry over funds that were previously allocated in FY 2007/2008.

BUDGET CONSIDERATION/FINANCIAL IMPACT CONTINUED

- B) Extension of Contract funding for activities conducted from October 16, 2008, through December 31, 2008, is included in the FY 2008/09 budget.

Funding for these contracts comes from three sources: a Congestion Mitigation Air Quality (CMAQ) grant, the Transportation Fund for Clean Air (TFCA) program, and General Revenues.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Ross and Members
of the Public Outreach Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 26, 2008

Re: Overview of 2008 Summer Spare the Air Every Day Campaign

RECOMMENDED ACTION:

For information only.

BACKGROUND

This year, the *Spare the Air* campaign transitioned into the *Spare the Air* “Every Day” campaign.

DISCUSSION

Outreach is a major component of the *Spare the Air* “Every Day” campaign. The goal of this new campaign is to help the public understand that there are clean air choices they can make every day to help reduce air pollution and protect the climate. At the meeting, staff will provide an overview of the 2008 *Spare the Air* “Every Day” campaign.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Funding for the summer outreach program was included in the FY 2007-08 budget. Funding for the fall, winter and spring campaign is included in the FY 2008-09 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Lisa Fasano
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Ross and Members
of the Public Outreach Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 26, 2008

Re: Update on Development of Wood Smoke Rule Outreach Campaign

RECOMMENDED ACTION:

For information only.

BACKGROUND

The Wood Smoke Rule was adopted by the Board in July of 2008. The District's Wood Smoke Rule outreach and education campaign will begin in November 2008, and run through February 2009.

DISCUSSION

Outreach is a major component of the new Wood Smoke Rule and will be essential for its successful implementation.

The Wood Smoke Rule outreach and education campaign will inform residents about the new rule, how they can comply with the rule, and why it is important to their health and the health of their families. Outreach messages will be delivered to the public through TV, print, billboard, radio, Internet, grassroots and in-theater advertising.

Educational materials will be developed and distributed to the public via mail, at public events and through the District's websites. At the meeting, staff will provide an overview of the District's Wood Smoke Rule outreach campaign.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Funding for the outreach program is included in the FY 2008-09 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Lisa Fasano
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Ross and Members
of the Public Outreach Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 18, 2008

Re: Consideration of Wood Smoke Reduction Rebate Program

RECOMMENDED ACTION

Approve use of carry over funds in the amount of approximately \$200,000 to offer \$200 rebates for the purchase and installation of new gas stoves and inserts.

BACKGROUND

Staff will present a summary of the Air District's Wood Smoke Reduction Rebate Programs.

DISCUSSION

In FY 2007/2008, the District allocated \$500,000 to incentivize Bay Area residents to switch their conventional fireplaces and older, higher-emitting woodstoves and fireplace inserts to cleaner-burning alternatives. The first phase of the program began in mid-January 2008 and was operated in partnership with the Hearth Patio and Barbecue Association and associated retailers. The second phase of the program was administered directly by the District and ran April 7, through July 6. As of the conclusion of these phases, the District has expended approximately \$300,000, and funded the switch to more than 500 cleaner-burning devices.

The next phase of the program is proposed to commence in mid-November 2008, and would distribute the remaining funds in allotments of \$200 per gas insert and stove.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

None. This program will be using carry over funds that were previously allocated in FY 2007/2008.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Karen M. Schkolnick
Reviewed by: Jack M. Colbourn

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Ross and Members
of the Public Outreach Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 26, 2008

Re: Consideration of Recommendation for Extension of Public Outreach Contracts

RECOMMENDED ACTION:

Recommend Board of Directors' authorization for the Executive Officer to execute the following contract extensions to assist with public outreach:

- Advertising Design and Production - O'Rourke, not to exceed \$550,000
- Media Relations and Employer Program - Allison & Partners, not to exceed \$250,000

BACKGROUND

The Air District Communications and Outreach section uses contractors to assist with various aspects of its public affairs and outreach programs. This recommendation would allow existing contractors to continue the 2008 *Spare the Air Every Day* campaign and transition into the winter wood smoke campaign. The extension would include the outreach and education campaign for the District's new Wood Smoke Rule throughout the region.

DISCUSSION

The initial advertising and media relations contracts were executed in March 2007, and written for one year with the provision of a one year extension at the District's discretion. Prior to March 2008, the contracts were extended to August 15 by the District to allow for summer *Spare the Air* planning. The District and the two contractors have entered into "time only" extensions to both contracts through October 15 to complete the 2008 *Spare the Air* summer campaign season.

Extending the current advertising and media relations contracts through December 31, 2008, will help facilitate a smooth transition from the *Spare the Air* summer ozone campaign to the wintertime wood smoke campaign. The new Wood Smoke Rule will require a sizeable outreach component to help generate public awareness about the health impacts of particulate pollution and that it is now illegal to burn during winter *Spare the Air* alerts. The new funding request will allow the District to launch a full advertising and messaging campaign, similar in size and scope

to the summer campaign. Requests for Proposals will be completed by early fall with the goal of having new contracts in place by January 2009.

Contracts will run annually throughout the calendar year and provide for year to year extensions, if warranted.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Funding for activities conducted from October 16, 2008, through December 31, 2008, is included in the FY 2008/09 budget.

Funding for these contracts comes from three sources: a Congestion Mitigation Air Quality (CMAQ) grant, the Transportation Fund for Clean Air (TFCA) program, and General Revenues.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Lisa Fasano
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Ross and Members
of the Public Outreach Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 26, 2008

Re: 2008 Youth Outreach

RECOMMENDED ACTION

For information only.

BACKGROUND

Youth outreach is an important component of the District's community outreach program and the Spare the Air Every Day campaign.

DISCUSSION

The District's youth outreach efforts include its climate change curriculum for 4th and 5th graders, the Clean Air Challenge education program for middle and high school students, and the Cool the Earth "Cancel-a-Car" program. Staff will update the committee on current activities of the Air District's youth outreach program.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

Funding for the campaign is included in the FY 2008-09 budget.

Respectfully submitted,

Jack P. Broadbent Executive
Officer/APCO

Prepared by: Richard Lew
Reviewed by: Lisa Fasano

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson, Jerry Hill and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 9, 2008

Re: Report of the Executive Committee Meeting of September 29, 2008

RECOMMENDED ACTION

The Executive Committee may recommend that the Board of Directors approve the following:

- A) Advisory Council recommendations on a Strategy Relative to Asthma and Indoor Air Quality and Principles developed in response to comments to the Air Resources Board relative to AB32 Climate Change Draft Scoping Plan;
- B) Amendments to the Air District's Administrative Code; and
- C) Options on actions to address the Air District's OPEB liability from previous years.

BACKGROUND

The Executive Committee will meet on Monday, September 29, 2008 to receive the following reports and recommendations:

- A) Hearing Board Quarterly Report;
- B) Advisory Council Activities and Recommendations;
- C) Joint Policy Committee Update;
- D) Discussion and Possible Recommendations on the Advisory's Council Role;
- E) Out of State Travel Policy Discussion;
- F) Update on Other Post Employment Benefits (OPEB) Liability; and
- G) Overview and Discussion of Air District's 2009 Clean Air Plan.

Attached are the staff reports presented in the Executive Committee packet.

Chairperson Jerry Hill will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The Committee Chair will provide any budget considerations and financial impacts relative to actions recommended to the Board of Directors at its October 1st meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Mary Ann Goodley

Attachment(s)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

TO: Chairperson Jerry Hill and Members
of the Executive Committee

FROM: Chairperson Thomas M. Dailey, M.D., and Members of the Hearing Board

DATE: July 24, 2008

RE: Hearing Board Quarterly Report – APRIL 2008 – JUNE 2008

RECOMMENDED ACTION:

This report is provided for information only.

DISCUSSION:

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Alameda/Livermore	APCO vs. MASOOD AMINI-FILABAD, aka AMINI FILABAD and HAMID AMINI individually and d/b/a LIVERMORE BEACON SITE NO. C8876 (Accusation – Docket No. 3548) – <i>Accusation and Request for Order for Abatement from regulation requiring compliance to operate with Permit to Operate and with permit conditions and from regulation limiting emissions of organic compounds from gasoline dispensing facilities</i>	2-1-302 8-7-301	Filed Amended Conditional Order for Abatement on June 26, 2008	===	===
Alameda/Oakland	G & Z, Inc., dba S.F. OAKLAND AUTO TRUCK PLAZA (Short-Term Variance – Docket No. 3554) – <i>Variance from regulation limiting emissions of organic compounds from gasoline dispensing facilities and from regulation requiring compliance with permit conditions.</i>	8-7-301.3 8-7-302.14 2-1-307	Granted	4-28-08 to 7-25-08	===
San Francisco	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO (Interim and Regular Variance – Docket No. 3551) – <i>Variance from regulation requiring compliance with permit conditions.</i>	2-1-307	Withdrawn	===	===
San Mateo	CITY AND COUNTY OF SAN FRANCISCO, SAN FRANCISCO INTERNATIONAL AIRPORT (Short-Term Variance – Docket No. 3549) – <i>Variance from regulation limiting the quantity of particulate matter in the atmosphere through the establishment of limitations on emission rates, concentration, visible emissions and capacity.</i>	6-1-303.1	Withdrawn	===	===

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
San Mateo/Millbrae	PENINSULA CLEANERS (Short-Term Variance – Docket No. 3555) – Variance from regulation limiting emissions of synthetic solvent from dry cleaning operations and other related operations, and to limit exposure to perchloroethylene, a compound identified as a toxic air contaminant by the California Air Resources Board.	11-16-309	Withdrawn	===	===
Solano/Fairfield	ASHLAND, INC. (Emergency Variance – Docket No. 3556) – Variance from regulation limiting emissions of organic compounds as defined in Section 8-6-207 from transfer operations at non-gasoline organic liquid bulk terminals and bulk plants.	8-6-302	Granted	6-5-08 to 06-06-08	===
Sonoma/Petaluma	TESORO SIERRA PROPERTIES, LLC (Short-Term Variance – Docket No. 3553) – Variance from regulation limiting emissions of organic compounds from gasoline dispensing facilities and from regulation requiring compliance with permit conditions.	8-7-302.3 2-1-307	Withdrawn	===	===

**NOTE: During the second quarter of 2008, the Hearing Board held four hearings.
A total of \$5,514 was collected as Hearing Board fees and no excess emissions fees were collected during this quarter.**

EXCESS EMISSION DETAILS

<u>COMPANY NAME</u>	<u>DOCKET NO.</u>	<u>TOTAL EMISSIONS</u>	<u>TYPES OF EMISSIONS</u>	<u>PER UNIT COST</u>	<u>TOTAL AMT COLLECTED</u>
					\$ 0
				TOTAL COLLECTED:	<u>\$ 0</u>

Respectfully submitted,

Thomas M. Dailey, M.D.
Chair, Hearing Board

Prepared by: Lisa Harper
Reviewed by: Mary Ann Goodley

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson, Jerry Hill and Members
of the Executive Committee

From: Louise Bedsworth, Ph.D.,
Chairperson Advisory Council

Date: September 17, 2008

Re: Advisory Council Activities and Recommendations

RECOMMENDATIONS:

Recommend Board of Directors approval, of the Advisory Council's Strategy for Asthma as it Relates to Indoor Air Quality and Principles developed in response to the California Air Resources Board's request for comments on its AB 32 Climate Change Draft Scoping Plan, at its October 1, 2008 meeting.

DISCUSSION:

Presented below are summaries of the key issues discussed at meetings of the Advisory Council and its Standing Committees during the above reporting period.

- A) Technical Committee Meeting of April 7, 2008: The Technical Committee received a presentation by Dr. Rob Harley, University of California Berkeley, on the consequences of changes in temperature, inflow boundary conditions, and local emissions on Central California air quality.
- B) Public Health Committee Meeting of April 9, 2008: The Public Health Committee reviewed and discussed the Final Draft "Strategy for Asthma as it Relates to Indoor Air Quality" for approval by the Board of Directors upon approval by the full Council. The Draft "Strategy for Asthma as it Relates to Indoor Air Quality" is attached for the Committees review and consideration. The Committee also received an update on the Community Air Risk Evaluation (CARE) Program from Program Manager Dr. Phil Martien, including key findings of the West Oakland Health Risk Assessment.
- C) Air Quality Planning Committee Meeting of April 10, 2008: The Air Quality Planning Committee received a presentation by Lisa Klein, Metropolitan Transportation Commission, on MTC's High Occupancy Toll Lanes Study. The Committee also received a presentation on the policy implications of road pricing strategies currently used and proposed for use in the Bay Area; the material was

presented by Tilly Chang and Zave Bent of the San Francisco County Transportation Authority.

- D) Advisory Council Regular Meeting of May 15, 2008: The Council received a presentation on the Community Multi-scale Air Quality modeling system and its applications with regard to the effects of climate change on air quality and the relationships between air quality and human/ecosystem health by Dr. Rao, U.S. Environmental Protection Agency. The Council also received a report from Jeffrey McKay, Deputy APCO, outlining Air District activities.
- E) Advisory Council Executive Committee Meeting of May 15, 2008: The Committee received reports from each of the Council's standing committees.
- F) Technical Committee Meeting of June 9, 2008: The Committee received a presentation by Dr. Philip Duffy, Lawrence Livermore National Laboratory, on historical temperature trends, possible causes, projected future temperature trends and their uncertainties.
- G) Public Health Committee Meeting of June 9, 2008: The Committee discussed and received an update on proposed Regulation 6, Rule 3: Wood-Burning Devices from Kelly Wee, Director of Compliance and Enforcement. The Committee moved to support the proposed rule.
- H) Air Quality Planning Committee Meeting of June 16, 2008: The Air Quality Planning Committee received a presentation by Sonali Bose, San Francisco Metropolitan Transportation Authority, on transit funding. The committee also received a presentation by Theresa Rommell, Metropolitan Transportation Authority, on MTC's Regional Transportation Plan. In addition, David Wiley, Supervising Environmental Planner, provided a presentation on motor vehicle registration fees received by the District.
- I) Advisory Council Regular Meeting of September 10, 2008: The Advisory Council received reports from each of its Committees. The Council discussed and reviewed recommendations presented by the A. Q. Planning Committee regarding Principles developed in response to comments to the California Air Resources on its AB32 Climate Change Draft Scoping Plan. The Committee unanimously agreed to forward the Principles to the Executive Committee for consideration by the Board of Directors. A copy of the Council's Principles is attached for the Committees review and consideration. The Committee also received a presentation from Ursula Vogel, Public Information Officer with the Metropolitan Transportation Commission on its Regional Transportation Plan 2035.

The minutes of the above referenced meetings are attached.

Respectfully submitted,

Louise Wells Bedsworth, PhD
Advisory Council Chairperson

Prepared by: Mary Ann Goodley
Reviewed by: Louise Bedsworth

AGENDA: 5A

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

APPROVED MINUTES

Advisory Council Technical Committee
9:30 a.m., Thursday, April 7, 2008

1. **Call to Order – Roll Call.** Chairperson, Kraig Kurucz called the meeting to order at 9:40 a.m.

Present: Sam Altshuler, P.E., Louise Bedsworth, Ph.D. (9:44 a.m.), Robert Bornstein, Ph.D., Fred Glueck, John Holtzclaw, Ph.D., and Kraig Kurucz, Chairperson

Absent: None

2. **Public Comment Period.** There were no public comments.
3. **Approval of Minutes of February 11, 2008.** Mr. Altshuler moved to approve the minutes. Dr. Holtzclaw seconded, and the minutes were approved with minor edits.
4. **Presentation on Consequences of Changes in Temperature, Inflow Boundary Conditions, and Local Emissions on Air Quality in Central California:** *Dr. Rob Harley gave a presentation to the Committee on consequences of changes in temperature, inflow boundary conditions, and local emissions on air quality in Central California.*

Dr. Harley spoke acknowledged and thanked the people he works with directly on research and the USEPA, for sponsoring the research.

Dr. Harley produced slides, graphs and charts illustrating the sensitivity of air quality in California to climate change, including anthropogenic emissions of TOC and NO_x estimates for the state of California for calendar year 2005. A key question is what those emissions will look like in the future considering the following factors:

- Growing population
- Advancing technologies
- Climate change

Dr. Harley explained that the EPA's Community Multi-scale Air Quality model, CMAQ, is one of several models used to predict ozone and other concentrations in future emissions scenarios, and that CMAQ was applied to Central California for a Central California ozone study in the summer of 2000. Dr. Harley referred to reaction rates of chemistry and increases in temperature, noting two effects:

- Changes of chemical reaction rates.
- Feedback of temperature on the emissions of isoprene and natural VOC; on hotter days, those emissions will increase.

Also, between now and 2050, there is change in anthropogenic emissions, from growing population, emission control technology, and the new rules that the State and the Air Districts implement to further affect emission reductions in that timeframe. One other essential penalty is the background levels coming into the Bay Area from the Pacific Ocean, may change with global changes and industrialization in China. NO_x emissions in China are increasing at a very high rate right now, and around the world there are reductions in air quality standards, providing additional challenges for emission control.

With a slide entitled Modeling Domain, Dr. Harley introduced the MM5, Mezzoscale Meteorological model, scaling temperature, topography and winds in the Central Valley, the Sacramento Valley, and the Bay Area.

Dr. Harley then compared anthropogenic and biogenic VOC emissions in peak values. Spatial distribution of those emissions was reviewed, noting biogenic VOC located exactly where there is not much anthropogenic VOC. The highest emissions of VOC were located in an area of natural forest, though not necessarily the most influential location with respect to ozone levels.

Noting the different chemical regimes in the Central California domain, Dr. Harley added that there are two ways that chemistry ends or terminates; one being peroxide formations and, where NO_x is more abundant, it terminates by forming nitric acid. There are high rates of chemistry terminating by forming nitric acid in the Bay Area and urban centers in the Central Valley, i.e., urbanized areas. There are high peroxide termination rates in the mountainous areas where NO_x is scarce and natural VOC abundant. Rather than saying there is one control strategy, or chemical regimes, which will work throughout this region, what is seen are very different chemical regimes, depending upon location. Especially toward the more rural, remote, natural areas, there is a dramatic shift in the chemical regime away from the NO_x-saturated to the NO_x-limited.

Next, Dr. Harley considered the scenario of the future as a doubling of CO₂ relative to pre-industrial levels, and added that it is the scenario of two times CO₂ levels that has been used to drive the regional climate model.

Dr. Harley noted that, unlike global models, which typically have such large grid cells that they don't have enough resolution, the regional climate model provides more detailed information about California such as 40 kilometer scale information about:

- Temperature change
- Global warming information on a regional scale
- Range of regime,
- Saturation of topography

The domain of the regional model includes all of California, and was done through a monthly analysis. The climate modeling is pre-industrial 280 parts per million CO₂, and then there is an unknown year in the future, where CO₂ is doubling.

Using 40 kilometer square pixels, the regional climate model showed larger temperature increases, on the order of 4° Celsius in the Sierras, at the Nevada border, and smaller temperature increases, almost 2°, closer to the Bay Area. These were compared with the changes in ozone during the same period, indicating the effect of temperature on chemistry,

with the largest increases being south and east of San Jose in the Bay Area, and south near Fresno, and north near Sacramento.

Discussion regarding temperature variations and averages over time periods with regard to increasing the accuracy of the models ensued, and Dr. Harley noted that on the spatial side there had been some progress, on the temporal side more work could be done to produce results with more accuracy.

Dr. Harley then indicated a second effect of temperature change, an increase the biogenic VOC, or BVOC, emissions. The percent change in biogenic emissions, because of the same temperature increase was displayed in graphs, with larger percentage increases in biogenic VOC emissions, 40% or so, in the Sierras, where some of the largest temperature change is. A 20% increase was predicted in much of the more lower-lying areas. Although a big increase in biogenic VOC in the Sierras was visible, there was almost no change or a slightly negative effect on ozone there. Change in biogenic VOC is most influential in the Bay Area, where the chemistry is most strongly sensitive to VOC emissions. Dr. Harley stated that it is not that biogenic VOC are such major contributors to the budget of VOC emissions in the Bay Area; it is that our emission control programs are deliberately trying to starve the atmosphere of VOC in that area to lower ozone, and so any increments to VOC from climate change really have strong resonance in our local air quality, and again stressed the importance of influential over abundant VOC.

Dr. Bornstein discussed the change in biogenic VOC emissions and the saturating effects of enzymes, and asked Dr. Harley to explain the decrease in the mountains. Dr. Harley referred to the discussion held earlier and the supply of NO_x being exhausted, stating there would be no NO_x left to sustain ozone production.

Continuing with the presentation, Dr. Harley explained another aspect of future air quality, the change in anthropogenic emissions from present day to 2050. Typically people take an International Intergovernmental Panel on Climate Change (IPCC) scenario to provide a way of determining all the emissions in the United States. The regional model attempts to be more detailed than that. Different amounts of growth are expected along the coast; from the Central Valley, where the land prices are lower, higher rates of population growth are expected. In more extensive areas like the Bay Area, we expect a slower rate of population growth, or possibly higher density. Factors of change in emission include:

- Population growth, where you have the effect of higher growth reducing the emissions reductions. Lower percent reductions in areas where there is more growth.
- Technology change.

Future emissions were determined with the following assumptions and factors:

- In the year 2000, there was a baseline emissions inventory, which was not uncontrolled.
- There already had been some emission controls achieved, and so a further 80% level of control beyond what had already been achieved in 2000 was assumed.
- For carbon monoxide and VOC, there was about a 90% overall level of control.
- By 2050, the assumption is to obtain another 80% going to 90, 98% control.
- Population growth

- By NO_x, it is only above 40%, but by 2050, they have a different end result.

Dr. Bornstein questioned if off-shore referred to shipping and/or aircraft. Dr. Harley said there were not a lot of shipping emissions and said the colors were not representative of this. Dr. Bornstein said he did some work with Environ for the District and volunteered to do the shipping emissions and it turns out that in the Emission Model or the Mechanics Model, they were assumed as uniform, but he checked the rate at which boats leave and come into the Bay Area, and in fact, there were variations up to a factor of 3. So the simulations done here by the District and Environ took in a day-to-day variation and not just the month to month. Dr. Harley then exhibited graphs which displayed the change in air quality, by the year 2050, in overall emissions for the region, with a 20% decrease in the San Jose area and Fresno, and in the air flowing into the Bay Area from the Pacific Ocean, i.e., inflow boundary conditions (BC) including change in:

- Diesel NO_x, which is a whole issue, still largely uncontrolled.
- CO: from 80 to 104 parts per billion (ppb)
- CH₄: from 1.7 to 2.4 ppb
- Ozone: from 30 to 40 ppb

Combined simulations, using temperature effects and change in temperature in combination with year 2050 air quality, indicated changes in ozone (ppb) for the region. Additional effects, contributing to greater sensitivity, were enumerated and Dr. Harley expanded on some of the additional negative effects incurred with climate change, such as:

- Population growth
- Loss of natural reservoirs in the form of snow in the Sierras, due to temperature increase
- Sea-level rises
- Longer hotter dry seasons creating environmental stresses and forest fires,
- Health effects on individuals

Finally, a summary of ozone effects in the Fresno, Sacramento, and Bay Areas and projections into year 2050 was reviewed. Dr. Harley then responded to questions and comments from Council members regarding inversion formation and depletion considerations in modeling (captured by the MM5 model, but not a consideration in the regional model), magnitude and frequency in ozone peak measurement, episodes resulting from multiple-day events, constancy of influences from inflow from boundary conditions, precipitous or steep change in ozone gradient from off-shore Bay Area to south of Monterey Bay, contribution of shipping as a source of NO_x, meteorology, weekend effect retroactive study, accuracy in measuring full decreases of ozone in view of coastal cooling, land use changes, and various factors in simulations.

Saffet Tanrikulu, Air District Research and Modeling Manager, joined in a discussion of visible warming in the Bay Area up to 1990. He said as it gets warmer in the global warming models, the inversion, if it stayed the same, would be decreased more rapidly but the inversion could be getting more intense. It depends upon what is causing the inversion to form. He said MM5 captures all of those interactions and this could be reviewed to determine whether if between now and 2050 the inversion is more intense, less penetrated, or other characteristics are revealed.

In response to a question from Chairperson Kurucz as to whether all work is on the peak ozone day, it was stated that the ozone standard is magnitude and frequency. If the frequency goes up but the magnitude does not, it is not good for us, as well.

Mr. Altshuler questioned whether the modeling indicates, using the 2050 year, that there might be greater frequency of those episodes that last multiple days. Dr. Harley said consistent frequency will make individual days worse, and he discussed instances which would influence impacts and results given design values and measurements.

Chairperson Kurucz asked if the influences from the boundary condition between now and 2050 are presumed to remain constant, or was it a factor that showed the boundary condition emissions coming across the ocean were increasing to 2050. Dr. Harley said the changes are all relative to present day because of the changes in boundary conditions that are noted at the bottom of the slide.

- Forest fires
- Frequency, as well as severity of high-ozone events
- Spatial and temporal details of how temperature changes
- Nighttime versus daytime temperature changes
- How anthropogenic emissions and population change will proceed over the next decades.

Dr. Bornstein said forgetting about the anthropogenic emissions, it shows that offshore, as you approach the coast, there is less background ozone. He asked if they could project that backwards because it looks like there is a rapid decrease, and it seemed to him that the background impact should be more uniform, as it falls off rapidly offshore.

Mr. Tanrikulu said the chemistry seems steep from the western boundary coming in, and the issue is the NO_x boundary condition specified, the guidance of which they received from the CARB on what to use. The couple of PBB of NO_x in the inflow boundary which is way too high for clean maritime air over the ocean. What is seen on the edge is a reaction of ozone with high levels. PBB of NO_x is not a lot once on land and there are polluted conditions, so what he believes is assumed is that there is some recirculation of pollution that is bring some NO_x out over the ocean, and this is the reason for it falling off so rapidly. He said another reason for NO_x could be shipping emission lanes going up and down the coast.

Dr. Bornstein suggested looking at the meteorology for 2050 to see if it also was a year that was conducive to high ozone. If there was a year that was conducive for low meteorology and you still got higher, then it could be that for the same meteorology of 2000, you would get even much higher in 2050. Just to show 2050 has a small difference does not really same that for the same meteorology you are going to get more pollution in 2050. 2050 could have been a clean year in terms of meteorology at least, so an average position of high or frequency of some meteorology could be done in order to show that the two sets were about the same, except that there is climate change. But if you were at a different part of the cycle, then the climate change is taking this meteorology and bringing up a little bit rather than starting the year and bringing in the meteorology up here, and he believed this could be done using the output net fields.

Dr. Holtzclaw questioned if anyone has gone back in time to see whether the climate change we have already experienced may have impacted the ozone levels that were already measured and recorded. Mr. Altshuler said the ozone level he trusts goes back to about 1980. He said he knows work has been done on the climate elements of how observed temperatures have changed over that time period, so he believed they have a stronger sense of what has happened on the meteorological side. The problem on the air quality side is that between 1980 and present day, especially in the earlier phase, there was such a dramatic improvement due to changes in anthropogenic emissions and emission control programs. So it would then be difficult to separate the effect of climate change from the effect of success in controlling local emissions, plus meteorological variability.

Dr. Bornstein said when they first found this cooling, they approached Bart Croes of CARB, and he was very intrigued and said, simulating the emission reduction does not capture the full decrease in ozone; the models are unable to capture the full decrease. And Mr. Croes thought the missing decrease in ozone could be due to coastal cooling. So, Mr. Croes encouraged Dr. Bornstein to write a proposal which was revised and resubmitted this year, and hopefully, this week the Executive Committee is going to make the final decision of their proposal. Hopefully, some money from CARB might also be obtained. He said then someone recently told him that the models have been fixed and they no longer under-estimate the rate of ozone decrease, and he felt it was possible to go back and simulate the last 25 years, both with coastal cooling and the emission reduction.

Mr. Tanrikulu said he believed that what is clear and very interesting to do that is amenable to a modeling approach which is to hold the emissions constant and change the meteorology in the way described and see what the magnitude of that effect is. There is then a clear signal that you're not changing emissions. Therefore, you can exclude certain variables from the analysis by holding them constant and then look at some of the other effects individually. This would be a very compelling analysis and important thing to consider. There might be a local benefit but a downwind dis-benefit, as well.

Dr. Bornstein said they have a Ph.D. student who is doing this and he has done only the meteorology so far and not all of it, and he is also including land use changes in terms of urbanization, irrigation changes, etc. He is focusing on the Los Angeles Basin because the land use changes are simpler. He has done preliminary simulations with the Bay Area also and he does get coastal cooling and a deeper sea breeze penetration, but is just in the beginning of getting the simulations correctly done.

Mr. Tanrikulu, discussed measurements going back to 1960, using the National Weather Service. Dr. Bornstein noted that if one looks at the global data set, it stopped warming in the mid-90's; however, this includes the ocean and the atmosphere and the ocean has cooled off because of the transition from El Nina to La Nina, but the land is still warming at the same tremendous rate it was until the mid-90's. So if someone shows data from the whole Earth and it doesn't show warming since the mid-90's; that is because it is dominated by the ocean, but the land sites are warming.

Mr. Tanrikulu said they would be happy to report their findings in a future meeting. Dr. Bornstein said Phil Duffy may attend the next meeting to discuss climate change, and Dr. S.T. Rao separately was to also provide a discussion about current and projected plans of modeling at the EPA, and he said a report from the Air District on how this overlaps with the modeling might be interesting. Dr. Bornstein discussed Dr. Rao's scheduled arrival on May 14-15, 2008 because he is planning the NATO conference.

Dr. Bedsworth reported that Dr. Rao is planning to provide a presentation on May 15, 2008; they are meeting with the full Council first and then the Executive Committee meeting afterwards to accommodate his schedule.

Chairperson Kurucz thanked Dr. Harley for his presentation. He questioned if Dr. Harley had any opinions on what areas for further study would be in getting to the synthesis of information nearing the end of the year.

Dr. Harley said in terms of prioritizing by air quality impact, forest fires is high on his list, as they could see some pretty serious situations due to eco-systems drawing out more during longer, hotter summers. He also thought more work needed to be done on the meteorological side, the frequency and severity of the high ozone events is an important question and issues of temperatures changing, and the spatial and temporal details of how temperature changes. One of the biggest uncertainties and most important questions is how anthropogenic emissions and population change will proceed over the next decades, which has a strong influence on future air quality, as well.

Also, California is now committed, by 2050, to reducing its greenhouse gases emissions to 80% below 1990 levels. Depending upon the approach of achieving this, some significant additional effects on emissions could be seen, which he has not considered in this analysis. He said he would rather see California go to electrification rather than use bio fuels or fossil fuels in the transportation system, because bio fuels when burned are not greatly superior to conventional fossil fuels in terms of local air pollutants emitted.

A brief discussion regarding expanding parks in the area, biogenics and possibly measuring the effects of emissions reductions of eucalyptus tree eradication and plantings of more redwoods by the East Bay Regional Parks Department ensued. Chairperson Kurucz stated that follow-up might be done with the Parks Department for a future presentation.

Chairperson Kurucz, on behalf of the Committee, thanked and presented Dr. Harley with Air District souvenirs in appreciation of his presentation.

5. Committee Member Comments/Other Business

Committee members, or staff, on their own initiative, or in response to questions posed by the public, asked a question for clarification, make a brief announcement or report on his or her own activities, provided a reference to staff regarding factual information, requested staff to report back at a subsequent meeting on any matter or took action to direct staff to place a matter of business on a future agenda.

Council members briefly discussed the Air and Waste Management Conference in June 2008, and would be briefed by Mary Ann Goodley, Executive Office Manager, on participation. Mr. Altshuler commented that the Air District Board could benefit from an Advisory Council perspective on EPA Certified woodstove efficiency and the renewable and low-carbon impact of wood as fuel on climate change.

In response to a question from Committee Chairperson Kurucz, Advisory Council Chairperson Bedsworth replied that the matter of wood-burning devices and wood smoke had been turned back to the Committee level, in this case, the Public Health Committee. Mr. Altshuler noted that this was not in the purview of Public Health but rather, as a matter of renewable fuel and climate change, a subject for the Technical Committee to address.

Chairperson Kurucz indicated a synthesis of information from past minutes and presentations on this topic would be appropriate, but preferred not to add future speakers to the agenda at this time. Further discussion of wood as a renewable fuel, black carbon effects on snow and synthesizing data ensued.

Jean Roggenkamp, Deputy Air Pollution Control Officer for the Air District, closed the discussion by saying that informational meetings of the Rule 6, Regulation 3 on wood smoke would be taking place shortly, and that a CEQA document addressing these kinds of issues was being prepared for that purpose.

Chairperson Kurucz noted that it would be planned to have Phil Duffy speak at the next Committee meeting, and a potential second speaker, and asked the Committee members if they would be willing to extend the meeting time an extra hour.

6. **Time and Place of Next Meeting.** 9:30 a.m., Monday, June 2, 2008, 939 Ellis Street, San Francisco, CA 94109.
7. **Adjournment.** Meeting adjourned at 11:22 a.m.

/s/ Lisa Harper
Clerk of the Boards
(for Jean Marie Mink)
Temporary Executive Secretary

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California

September 23, 2008

To: Chairperson Jerry Hill and Members
of the Executive Committee

From: Louise Wells Bedsworth, PhD,
Advisory Council Chairperson

Subject: Strategy for Asthma as it Relates to Indoor Air Quality

Topic

Recommendations to the Bay Area Air Quality Management District (District) regarding its role and how it can interface with the public, Local Health Departments, County Health Officers, state and federal governments, and non-governmental organizations on asthma as it relates to indoor air quality.

Importance/Implications

In 2004 and 2005, the Council considered the District's role in IAQ and made recommendations including organizing a regional IAQ Workshop, establishing a graduate student Investigator to research impacts of regional air pollution on indoor environments, and developing general information for the public with an initial focus on residences and schools. Recommendations were made to the Executive Committee of the Board of Directors September 29, 2004 and October 12, 2005. The IAQ report was returned to staff for review.

In 2007, the District asked the Advisory Council to provide additional guidance on IAQ and Asthma.

Over the past two decades, the prevalence of asthma in both children and adults has increased dramatically in the United States. Asthma is a chronic inflammatory disease of the airways that affects more than 22 million Americans with almost 2.8 million children and adults in California having asthma.^{1,2} In the Bay Area alone, almost 525,000 people suffer from this condition.²

The reason for the increase in asthma is complex and an area of very active research. Although genetics is a major factor in the development of asthma, new studies suggest that environmental exposures at critical periods can influence the development and progression of airway inflammation that can lead to clinical asthma.³ It is likely that multiple determinants including environmental exposures may contribute to the development and the severity of asthma in a given individual.

Outdoor pollutants, including ozone, or particulate matter (including soot, diesel, and wood smoke) can exacerbate asthma. Outdoor pollutants can penetrate indoors to varying degrees; the ratio of the indoor to outdoor concentration of pollutant depends on the nature of the pollutant, building characteristics including whether windows/doors remain open, and whether there are other sources of the pollutant indoors.⁴

Factors in the indoor environment, including indoor air pollution may also play a role in the increasing asthma problem.⁵

District staff report that they receive frequent calls from people who express concern about odors and indoor air pollution as sources causing asthma attacks.

Currently, staff responds to inquiries by recommending the caller seek medical evaluation and contact their county health organization. The frequency of these calls has reached a level that prompted staff's request for guidance on their role in this area and how to enhance current response efforts.

Key Issues

Confirming asthma is a concern:

District staff report that people, with increasing frequency, have been contacting the district because they believe they have asthma. Staff also reported that they believed callers are aware that the incidence of asthma has increased over the last few years and that certain geographic regions and locations report a greater prevalence of asthma. Committee members noted that some callers may not have been diagnosed with asthma or may not be discussing their symptoms with their health care provider

Indoor environmental exposures related to asthma:

The Institute of Medicine has conducted a comprehensive review of the scientific studies on asthma and indoor air exposures. Indoor exposures to biological materials e.g. animal dander, house dust mite, cockroach products, molds spores and environmental tobacco smoke have been linked to the development and exacerbation of asthma.⁵

Respiratory irritants can affect healthy individuals, and asthmatics can be especially sensitive. Respiratory irritants commonly found indoor settings include (1) combustion by-products (e.g. fine particulates, nitrogen dioxide and other gases), (2) volatile organic compounds (VOCs) including formaldehyde and (3) harsh volatile inorganic chemicals that can a noxious odor and cause respiratory irritation (e.g. bleach).⁶ Although many respiratory irritants have been linked to exacerbations of asthma, their role in causing asthma is less clear.^{5,6}

Common indoor sources of combustion products include tobacco smoke, fireplaces, wood-burning stoves, and unvented gas or kerosene space heaters, gas stoves and other poorly vented gas appliances. Common sources of formaldehyde indoors include furnishings and building materials made of particle board, plywood, medium density fiberboard (MDF). Common indoor sources of other VOCs, include solvents, paints, adhesives, new carpets, household cleaning products, pesticides, fragrances, and air fresheners.⁶

Additionally, reactive pollutants such as ozone can combine with emissions from cleaning compounds to form potentially harmful products. Cleaning a large surface area in a small room can lead to levels that may cause symptoms.⁷

Asthma management guidelines (2007) by the National Institutes of Health recommend control of environmental factors that affect asthma, including “avoid(ing) exposure to environmental tobacco smoke and other respiratory irritants, including smoke from wood-burning stoves and fireplaces and if possible, substances with strong odors.”³

The US Environmental Protection Agency (US EPA) has an indoor air program with emphasis on outreach and education. A California Air Resources Board (CARB) report to the legislature on Indoor Air Quality in 2005 stated that there is no systematic program (in California) to improve indoor air quality, and there are relatively few regulations or standards to address individual indoor air quality problems.⁷ CARB has since adopted two measures that will improve indoor air quality: (1) limitations on ozone emissions from air cleaning devices and (2) implementation of airborne toxic control measures to reduce formaldehyde emissions from composite wood and also furniture and other finished products made with composite wood products. Although emissions of chemicals from consumer products are largely unregulated, the California EPA (CalEPA) in collaboration with other agencies are developing emissions standards for materials and furnishings for California High Performance Schools and a California Green Building Standards Code for state office buildings^{9, 10}.

Recommendations

1. Develop a program on Indoor Air Quality and Asthma with the objective of aiding callers in more efficiently addressing their concerns by referring callers more accurately to the correct resource (Local Health Departments, non-governmental organizations, and federal and state programs). District staff should also encourage the callers to discuss their symptoms with their health care provider since there are many triggers of asthma.
 - a. Consider having a designated staff member participate in the quarterly meetings of the California Interagency Working Group on Indoor Air Quality (<http://www.cal-iaq.org>). This will enable BAAQMD program staff to keep informed on current indoor air quality issues and policy and interact regularly with experts in the field.
 - b. Callers who do not have a healthcare provider should be referred to the County Medical Associations and/or their health insurance company. Those who lack medical insurance should be referred to their county health department for assistance. Local asthma coalitions can provide general information about asthma. Contact information for local health departments, Bay Area Asthma Coalitions and County Medical Associations are provided (see attachments).
2. Consider focusing the program on organizing and facilitating the provision of existing information to callers.
3. Consider expanding the District’s webpage on Indoor Air and consider the development of the District’s own print material. District should consider including in this material at least the following areas:

- a. Recommendation to callers that they work with health professionals and organizations that provide asthma outreach and education to obtain an accurate diagnosis and receive optimal medical management of their asthma, including identification of asthma triggers and best practices to remove or control asthma triggers.
 - b. Highlights of the work the District is already proactively addressing (CARE, ozone, particulate matter, wood burning control) and the controls related to these programs that callers can implement.
 - c. A brief discussion about air cleaners including avoidance of ozone generators and referring callers to additional materials provided by the California Air Resources Board and US EPA
 - d. A list of external resources for staff and callers
4. Consider the inclusion of program measures to track the volume and kinds of calls, type of referral made, and number of inspections made, if applicable.

Respectfully Submitted,

Louise Bedsworth, Ph. D.
Advisory Council Chairperson

References

1. National Center for Health Statistics. Centers for Disease Control www.cdc.gov/nchs/fastats/asthma.htm Accessed on March 31, 2008.
2. American Lung Association's State of the Air Report, 2007, www.californialung.org accessed on October 26, 2007.
3. National Heart Lung Blood Institute, National Institutes of Health. Guidelines for the Diagnosis and Management of Asthma (EPR-3) <http://www.nhlbi.nih.gov/guidelines/asthma/index.htm> accessed on March 31, 2008.
4. CS Mitchell et al. Current State of the Science: Health Effects and Indoor Environmental Quality. 2007. Environ Health Persp 115:958-964,
5. Institute of Medicine Report. Clearing the Air: Asthma and Indoor Air Exposures, 2000.
6. American Academy of Pediatrics, Pediatric Environmental Health Handbook, 2nd edition, 200x. Chapter x Indoor Air.
7. California Air Resources Board, Indoor Air Chemistry, Cleaning Agents, Ozone and Toxic Air Contaminants, W. W. Nazaroff, UC Berkeley, April 2006. <http://www.arb.ca.gov/research/abstracts/01-336.htm>
8. California Air Resources Board, AB 1173 Indoor Air Quality Report <http://www.arb.ca.gov/research/indoor/ab1173/ab1173.htm>
9. California High Performance Schools Best Practices Manual, section on low-emitting materials, available at: http://www.chps.net/manual/lem_table.htm
10. 2007 Proposed California Green Building Standards Code, CCR, Title 24, Part 11; available at http://www.bsc.ca.gov/prpsd_stds/default.htm

Information Considered

Members considered reports to the Committee from:

Jack Colbourn, Director, Outreach and Incentives Division, BAAQMD

Jami Aggers, Compliance Manager, Compliance Division, San Joaquin Valley Unified Air Pollution Control District

Janet Glasgow, Air Quality Program Manager, Compliance and Enforcement Division, BAAQMD

Jenny Bard, Communications Director, American Lung Association of California

Jim Nolan, Director of Compliance, Puget Sound Clean Air Agency

John Crouch, Director of Affairs, Hearth, Patio and Barbecue Association (HPBA)

Judy Goldblatt, Public Information Officer, Outreach and Incentives Division, BAAQMD

Kathy Hayes, Government Affairs Director, North Bay Association of Realtors

Peggy Jenkins, CARB Indoor Exposure Assessment Section Research Division

Peter Hess, BAAQMD

Jed Waldman Ph.D., Chief, Indoor Air Quality Section, CDHS

Elinor Blake, Chair Public Health Committee and Chair Advisory Council

Barbara Spark, Indoor Air Program Coordinator, US EPA Region IX

Dr. Manuel Pastor,

Robert Sawyer, Ph.D, Chairperson, CARB

D. Fairley, , , BAAQMD

D. Vintze, BAAQMD

Richard Jackson, MD MPH

Deborah Jordan, Air Division Director, US EPA Region IX

Bart Ostro

Deliberative Process

The Public Health Committee was asked to consider this topic by the Council as part of its work starting in 2007. The Committee met on October 10 and December 12, 2006, February 14, June 13, and October 10, 2007, to receive and discuss presentations on the issues. The Committee unanimously arrived at its recommendation for forwarding to and consideration by the full Advisory Council. A chronology of the Committee's deliberations, and the presentations received on this matter, are available upon request.

Attachment 1: Bay Area Asthma Coalitions

BAY AREA ASTHMA COALITIONS

more information at www.rampasthma.org

Asthma coalitions have general information on asthma as well as information on local programs and activities.

***Alameda County:**

Oakland Berkeley Asthma Coalition, Oakland

Contact: Lynn Dailey

ldailey@ci.berkeley.ca.us

Elizabeth Edwards

eedward@alamedaalliance.org

Oakland Berkeley CAFA Project

(CAFA: California Action to Fight Asthma)

Contact: Mindy Landmark, Coordinator

Ethnic Health Institute

510. 869-8226, landmam@sutterhealth.org

Oakland Kicks Asthma, Emeryville

Contact: Adam Davis, Program Director

American Lung Association of California

510. 893-5474, x304, adavis@alaebay.org

West Oakland Asthma Coalition, Oakland

Contact: Valerie Allums, Outreach Coordinator

510. 763-1880, vallums@yahoo.com

Ethnic Health Institute, Oakland

Asthma Sub-Committee

Contact: Mindy Landmark, Coordinator

510. 869-8226, landmam@sutterhealth.org

***Contra Costa County:**

Contra Costa County Asthma Coalition

Cedrita Claiborne, MPH, Coalition Coordinator

Contra Costa Health Services

Contact: Carol Shenon, Operations Coordinator

Ccac-admin@hotmail.com

***San Francisco County**

San Francisco Asthma Task Force
Contact: Anjali Nath, MPH, Advocacy Coordinator
Breathe California, Golden Gate Public Health Partnership
650. 994-5868, anjali@ggbreathe.org

***San Mateo County**

San Mateo Asthma Coalition
Contact: Dorothy Vura-Weis, MD, MPH
Dvura-weis@co.sanmateo.ca.us
East Palo Alto Asthma Task Force
Contact: Janine Bishop, Chair
jbishop@stanford.edu

Santa Clara County

Asthma Coalition of Santa Clara-San Benito Counties
Dennis Acha
Breathe California of the Bay Area
Phone: 408-998-5865
Email: Dennis@lungsrus.org
www.lungsrus.org

***Solano County**

Solano Asthma Coalition, Fairfield
Contact: Susan White, Program Coordinator
707. 434-9685 susan@solanoasthma.com

***Sonoma County**

Sonoma County Asthma Coalition, Santa Rosa
Contact: Shan Magnuson, Director; Barbara Young, Asst. Program Director
American Lung Association of California
smagnuson@alac.org, byoung@alac.org
707. 527-5864

Attachment 2: List of County Medical Associations

Alameda-Contra Costa Medical Association, 510-654-5383
Medical Executive: Bill Guertin

Marin Medical Society, 415-924-3891

Napa County Medical Society, 707-255-3622
Medical Executive: MaryAnn Eckhout

San Francisco Medical Society, 415-561-0850
Medical Executive: Mary Lou Licwinko

San Mateo County Medical Association
Medical Executive: Sue Malone, 650-312-1663
Env and Pub Hlth Committee Chair: Michelle Caughey MD

Santa Clara County Medical Association, 408-998-8850
Medical Executive: Bill Parrish
Env and Pub Hlth Committee Chair: Cindy Russell MD

Solano County Medical Society, 707-425-7267
Medical Executive: MaryAnn Eckhout

Sonoma County Medical Association, 707-525-4359

California Medical Association Foundation, 916-551-2550
CEO: Carol Lee
VP Community Health Programs: Elissa Maas

Attachment 3: List of County Health Departments - access to health care for low-income people without health insurance

Alameda County

For children: 510-618-2070

For adults: 888-604-4636

Marin County

For children: 415-473-7499

For adults: 415-448-1500

Napa County

For children: 707-253-4316

For adults: 707-254-1770

San Francisco County

For children: 415-575-5712

For adults: 415-615-4500

San Mateo County

For children: 650-573-2877

For adults: 650-573-2431

Santa Clara County

For children: 408-494-7410 or 800-689-6669

For adults: 408-271-5600

Solano County

For children: 707-784-8670

For adults: 707-784-2010

Sonoma County

For children: 707-565-4460

For adults: 707-565-4820

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

APPROVED MINUTES

Advisory Council Public Health Committee
1:30 p.m., Wednesday, April 9, 2008

1. **Call to Order:** Chairperson Kim called the meeting to order at 1:37 p.m.

Roll Call: Janice Kim, M.D., Ph.D., Chairperson, Cassandra Adams, Jeffrey Bramlett and Brian Zamora.

Absent: Steven Kmucha, M.D., Karen Licavoli-Farnkopf, MPH, Linda Weiner

2. **Public Comment Period:** There were none.

3. **Approval of Minutes of February 13, 2008:** Mr. Zamora moved approval of the minutes, seconded by Mr. Bramlett, carried unanimously.

4. **Review and Discussion of Final Draft Strategy for Asthma as it Relates to Indoor Air Quality:**

Chair Kim stated that in 2005 the Committee was asked to provide additional guidance on indoor air quality and asthma, she discussed key references and reviews by the Institute of Medicine and said the matter is complex in which pollutants can get indoors. She presented a draft document entitled, "Strategy for Asthma as it Relates to Indoor Air Quality" and clarified some of the important indoor air sources, listed various programs such as the U.S. EPA Indoor Air Program and programs of the CARB.

Chair Kim stated it would be useful for a designated staff member at the Air District to participate in quarterly meetings of the California Inter-Agency Working Group.

ACTION: Ms. Adams moved approval to accept the Strategy for Asthma as it Relates to Indoor Air Quality, seconded by Mr. Zamora; carried unanimously.

Chair Kim suggested that the item be forwarded to the Advisory Council and also asked staff to determine the dates in 2004 and 2005 of when the previous recommendations were made and recorded. Mr. Hilken said staff can research the minutes and identify those dates.

5. **Overview of the Community Air Risk Evaluation (CARE) Program**

Henry Hilken stated that Planning staff had previously reported on the program, questions have been received regarding the health risk assessment conducted in West

Oakland, and draft results show very high levels of risk from diesel particulate matter in West Oakland.

CARE Program Manager, Dr. Phil Martien, gave an overview of the program, stating that the CARE Programs focus is in communities where levels of PM are particularly high. The CARE Program looks at, not only where emissions and concentrations are high, but where sensitive populations are located in the Bay Area. Issues of dense urban development are addressed within the region and they suggest trade-offs between high density and high emissions, and preserving open space. The program is a 3-phased program and he discussed work completed to date in each phase. The Task Force has recommended including mitigation measures as the program is being developed. There are current vacancies on the Task Force and members discussed the body's composition and the need for an additional health professional.

Dr. Martien presented an emission inventory for the Bay Area region to year 2005, pie charts by pollutant and source category, individual pollutants and those broken down by source category, chronic non-cancer toxicity weighted emissions, Acrolein pollutant sources and their concentration levels. He discussed the different cancer outcomes resulting from various pollutants, maps of the emission inventory, information on demographics, and modeling in Phase II on concentrations of diesel particles.

Regarding next steps, Dr. Martien reported active participation in the West Oakland Health Risk Assessment, work on regional and sub-regional modeling, work on a truck survey and enhanced measurements in West Oakland, and said they have started to collaborate more with local health departments to present information and to hear some of their concerns.

Dr. Martien provided an update on the health risk assessment, stating that Air District staff is working with the CARB, the Port of Oakland, and Union Pacific Railroad Yard. The HRA focuses on diesel particles. It looks at cancer and other health impacts of the Bay region as a whole and the study considered 3 source regions; Part I-Maritime part of Oakland—265 tpy; Part II – Union Pacific Rail Yard-11 tpy, and Part III – Other West Oakland-568 tpy.

Mr. Zamora questioned and confirmed the report included all sources in the Bay and out past the Golden Gate, but did not include outside areas due to prevailing winds impacting the West Oakland area.

Dr. Martien presented key findings of the HRA as follows:

- The West Oakland community is exposed to diesel PM concentrations that are almost three times the estimated background diesel PM concentrations in the BAAQMD.
- The estimated lifetime potential cancer risk for residents of West Oakland from exposure to diesel PM emissions is about 1,200 excess cancers per million.
- Port operations 200 excess cancers per million
- UP Rail Yard 40 excess cancers per million
- Non-Port and non-UP sources about 950 excess cancers per million

Another key finding is that the on-road heavy-duty trucks result in the largest contribution to the overall potential cancer risks, followed by ships, harbor craft, locomotives, and cargo handling equipment and source categories were presented for Part I/Port, Part II/UP, Part III/All Other, and Combined source impacts.

Chair Kim said there is a significant cancer impact in Part III, and she questioned how much was related to freeway versus local truck traffic. Dr. Martien said they feel they have good representation of the trucks on the freeway; they are using the MTC Travel Network which represents major roadways but not minor streets and agreed it could be under-estimated. Once a detailed survey of where the trucks are traveling on the local streets, they may find it does not affect the assessment significantly. Source destination studies could be useful and they will try and differentiate between those trucks with containers involved with the Port and those that do not.

Dr. Martien presented a map of contours of risk from the Port of Oakland to the Bay Area region as a whole, discussed diesel PM emissions and non-cancer impacts.

Dr. Martien presented state regulations adopted and those which are planned to reduce risk, but noted remaining risk levels are still high at over 200 in a million, he presented the current projected risk levels and projections in 2010, 2015 and 2020, with CARB regulations and growth and said by 2015, assuming new regulations are adopted, there will be an 80% reduction in the population weighted risk and by 2020.

The Air District has been very involved in the health risk assessment, is committed to staying involved to track reductions in diesel emissions and risk in West Oakland. The Air District co-chairs and participates in the Port of Oakland's Maritime Air Quality Improvement Plan Task Force and they will update and refine emissions estimates, will conduct an enhanced measurement study, and adding monitoring stations in the West Oakland area to track progress of overall particulate reductions.

Dr. Martien described the CARE Mitigation Action Plan, which focuses on risk reduction activities where most needed, have identified six impacted communities (Concord, East Oakland/San Leandro, Eastern San Francisco, Richmond, San Jose and West Oakland) where they are working with grant funds, outreach efforts, act as liaison with local health departments and work on developing land use guidance which will help cities and counties assess health impacts to new development projects from existing sources. The Plan will also look at all five Ports and developing emission inventories and he further discussed total projected grant funding in 2008 which amounts to \$87 million.

Mr. Zamora questioned whether there is an assessment of health impacts to existing people from existing sources. Dr. Martien said the land use guidance will focus on new development, but West Oakland is considering a buffer zone between industrial areas and residential areas, but the problem is that those buffer zones already include residential areas. It may be that they could address what types of mitigation measures are effective and whether they can be applied to existing situations. Also, using grant funding will be helpful as well as CARB regulations.

Mr. Bramlett applauded staff for their work, scope, accuracy and detail of the information.

Mr. Zamora referred to slide 3; Land Use Guidelines, and said it would be very important to work with the West Oakland community and Health Department and overlay those high risk populations such as schools and long term care facilities. He said long-term care facilities were never designed to have air conditioning and this would be a good example of a mitigation measure.

Chair Kim questioned whether funds would be available for those types of mitigations, said CARB has earmarked a tremendous amount of funds for certain categories and questioned the specifications for those programs in dealing with at-risk populations. She discussed an article of a study done in the American Journal Respiratory Critical Care Medicine Journal; a portable air filter was put into a residential senior home, the senior's heart rate variability was monitored, they did a trial with and without HVAC and were able to show that with the air filter on, there was a reduction in particulate matter and also a reduction in heart rate variability.

Mr. Hilken introduced Virginia Lau, Advanced Project Advisor in the Planning Division and in the CARE program.

Chair Kim also congratulated the Air District on its commitment to the project, said she attended the West Oakland Community meeting several weeks ago and commended the District on its work, as well as the Ports who discussed their commitment and work.

Mr. Hilken said they would like to increase representation on the CARE Task Force from the health field in general and asked members to pass on suggestions and potential candidates.

Ms. Adams confirmed that people other than health officials could be forwarded onto staff, as well. Dr. Kim and Mr. Zamora suggested working with the local County Health Departments to also seek potential candidates. The Committee further discussed resources on the CARE website and potential interested candidates from the state health level as a resource.

6. Committee Member Comments/Other Business

Mr. Bramlet thanked Dr. Kim for her work on the project as well as District staff.

Mr. Zamora suggested agendizing wood smoke on the next agenda and Mr. Hilken noted there were meetings scheduled in April and if not posted already, it will be very soon.

7. Time and place of next meeting: 1:30p.m., Wednesday, June 4, 2008, Room 716, 939 Ellis Street, San Francisco, CA 94109.

8. **Adjournment:** The meeting adjourned at 2:58 p.m.

/s/ Lisa Harper
Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

APPROVED MINUTES

Air Quality Planning Committee
9:30 a.m., Thursday, April 10, 2008

1. **Call to Order:** Chairperson Drennen called the meeting to order at 9:45 a.m.

Roll Call: Harold Brazil, Irvin Dawid, Robert Huang, Ph.D., Kendal Oku and Emily Drennen, Chairperson.

Absent: Ken Blonski, William Hanna, Kraig Kurucz, and John Holtzclaw, Ph.D.

2. **Public Comment Period.** There were none.

3. **Approval of Minutes of February 7, 2008:** Mr. Dawid moved for approval with minor edits, Mr. Brazil seconded the motion, and the minutes were approved unanimously.

4. **Bay Area High Occupancy Toll Lanes:** *Lisa Klein, Senior Transportation Planner for MTC, presented information to the Committee on MTC's High Occupancy Toll Lanes Study.*

Ms. Klein began the presentation with HOT lane definitions, stating they were basic carpool or HOV lanes with a "twist." Carpools and buses still travel free of charge, tolls are collected electronically and variable tolling is where higher tolls are charged during peak periods and lower tolls at times where less congestion is seen.

Ms. Klein gave background on why HOT lanes and congestion pricing were being discussed, and in particular in the context of the long-range plan update, *Transportation 2035*, noting the ambitious, quantifiable performance objectives that were set as part of plan. Most of these objectives come from state plans or legislation attempting to reverse trends for improvement of maintenance, delay reduction, particulate and carbon dioxide emissions reductions, collision reduction and improving affordability and reducing vehicle miles driven (VMT).

She reviewed what would be needed to achieve the targets, said transportation pricing could have an effect and could be implemented quickly, and obstacles are mainly political for the most part. Focused growth is also a key component which is a longer-term measure, because it takes some time for land-use changes to take effect. She discussed the difficulty of putting peak pricing in the US transportation sector and said there has been greater success in Europe and Asia. New York City was planning to implement a cordon-pricing scheme and they failed to achieve support in the legislature to implement this. The U.S. model on congestion pricing today has mostly been HOT lanes. They are in operation in several places already around the U.S., and soon to open in quite a few more cities in the next few years, including Seattle and the Bay Area by about 2010.

Ms. Klein described first-generation HOT lanes, in Orange County, Houston and San Diego, as “chutes”, with cars entering at one end, drive eight or ten miles and exiting at the other end. Every year or so the toll is increased due to demand. Ms. Klein discussed variations on the model relating to charges, types of carpools charged and the charge at full or reduced rates.

Ms. Klein then reviewed next generation HOT lanes which are considered successful, drawing attention to the Minneapolis design which differs in that it is not a chute; there are ways to get in and out in the interim points over the ten-mile distance. In terms of their benefits, they are often called “Lexus lanes”, particularly in the press, but when you look at the data, they are actually used by all different income groups and occupation classes. In Orange County they have doubled “through-put”. In Minneapolis, they have improved speeds and have reduced collisions. San Diego has actually had an increase in carpooling since the implementation of the HOT lanes.

Ms. Bent said MTC staff has done a technical assessment that shows a HOT lane network is feasible, it has many benefits and the Commission has been asked as to whether it should be included in the long-range plan. The Commission has not yet made a decision on the whole network and is grappling with governance related questions; however, she said HOT lanes in development in Alameda and Santa Clara County will happen and reflected in the RFP. It was suggested adopting a pricing congestion model to tackle one issue instead of two. She said MTC did a study of congestion pricing on the Bay Bridge and found it technically feasible, but failed to find a sponsor in the State legislature, whereas the Bridge District has toll setting authority itself. She believed MTC is still very interested in congestion pricing on the Bay bridges, but the question is whether the State legislature will support it. Their assessment is that the political environment is not supportive and there is a lot of sensitivity about the issue.

In response to a question by Chair Drennen regarding using revenue bond financing to speed this up, Ms. Klein replied that current legislation requires revenues to stay within the corridor for which they are generated. The track to develop the regional network requires more flexibility than this, and MTC staff would need this in order to develop the network.

In closing, Chair Drennen recapped that the reason this committee is looking at the issue is because they want to explore what should be in a transportation pricing policy for the Air District. In putting together the presentation, she asked if there are further directions or policy questions that have not been answered on some level in the Bay Area, and Ms. Bent said she would need to follow-up with Chair Drennen on the question.

5. Overview of Road Pricing Strategies: *Tilly Chang, Deputy Director of Planning for the San Francisco County Transportation Authority, presented an overview of the kinds of road pricing strategies currently used and proposed for use in the Bay Area, as well as some of the policy implications that should be considered with these kinds of projects.*

Ms. Chang introduced herself and co-worker, Zave Bent, San Francisco County Transportation Authority Principal Planner, who is in charge of the SFCTA’s Mobility, Access, and Pricing Study. The presentation was begun by Ms. Chang offering a possible organization of a research agenda for the Committee based on questions forwarded by Chairperson Drennen, and San Francisco’s own initiatives in the road-pricing realm. Ms. Chang spoke about overall objectives for road pricing and international examples:

- Internalize externalities:

- Congestion problem—as much a land use regulation failure as anything else; something that is not a short-term problem, but a short-term tool to address a long-term policy area that is very difficult to crack. To the extent the right signals are sent out, road pricing can be an incentive for more fully-considered location decisions for households and firms.
 - Air quality impacts and Safety as a function of one’s decision to drive, in terms of contributing to VMT and other issues.
- Financing method—distinguishing between cost-recovery and adjusting cost to be reflective of right costs.
- Pricing as a Transportation Demand Measure (TDM) tool, which is more an efficiency type of objective, to make better utilization of the system in place. High overlap with internalizing the externalities:
 - Congestion and VMT reduction
 - Promotion of transit—not only in terms of creating the more appropriate price differential between driving and transit and use of revenue as a policy consideration
 - Parking management—increasing costs of driving overall, at all stages of auto ownership, including the cross-subsidy potential to use parking revenues to fund transit.
 - Pricing and Equity—already a potential argument that the current status quo itself is inequitable and the burden of the regional and national high transportation costs falls more on low-income households. In New York, that argument in hard dollar terms has some appeal for low-income families, who may feel that they cannot bear the burden of the extra charge if they have few options.
- Implementation of equity policies.

Drivers of these objectives:

- Climate change imperative, and health and environmental impacts.
- Challenge in urban areas of how to expand and grow sustainably.
- Highway trust fund, which is our nation’s main source of investment capital for surface transportation will be facing bankruptcy by end of fiscal year 2009 or 2010, a national crisis because gas taxes are the main source at both the national level as well as California.
- Additionally, as a tool, gas taxes have diminishing returns, as fuel economy improves.
- Federal, state and local taxes do not cover the whole cost, which points to the context for the equity debate.

Ms. Chang discussed pricing methods, citing existing pricing in U.S. and internationally, to address the objectives. She said in this case, she wants to classify what might be some of the tools in road pricing overall that fall within these categories. There is definitely overlap and she is also trying to identify where these have been seen either in operation or as proposed.

In terms of the externalities, there are HOT Lane examples domestically. Additionally, the DOT has been funding other projects through Value Pricing Program including VMT based fees, and pay-as-you-go type measures including insurance, mileage-based gas tax, and distance tolls.

She discussed the UK and London's proposed increased carbon-based registration fee on vehicles, which is over and above the congestion charge. They are proposing to exempt the charge for the lowest-emitting vehicles. This is an example of the idea of rationalizing or balancing congestion policy objective versus environmental policy objective within the same pricing policy. However, at some point the policy will need to be revisited when there is many low emitting or cleaner vehicles out there using the system.

As for methods of financing transportation as a finance method, tolls are historically very well-established in the U.S., such as axle charges. She referred to the latest case-studies out with German trucking and how they have documented its overall efficiency and non-disruption to their rail-truck market. Gas taxes also help to fund existing needs, but they have not kept pace.

Regarding pricing as a TDM tool, there is the whole gamut of parking, ownership and unbundling of rates, making them very clear and transparent. In San Francisco the price for an off-street residential parking space in new condos is approximately \$100,000 when unbundled from the purchase price. There is also a 25% parking tax on commercial parking in San Francisco. San Francisco's Port Authority and MTA have implemented some versions of this and would be interested in expanding it.

Many housing developers, employers or institutions like schools or hospitals are required to implement TDM measures such as transit promotions, class-passes, and discounted transit-passes. Regarding pricing and equity, there are tools for reinvesting revenues in affordable options. For example, lifeline tolls were proposed by MTC when they did their Bay Bridge pricing study back in 1994.

Regarding employer-based programs, from the Manchester outreach, the UK is looking at creating a mechanism to help address the idea of one or two weekly discounts from employers on the congestion toll for the working low-income groups. Tackling both ownership and usage are needed because if you do only one versus the other, you are leaving something on the table. The total cost of owning and operating a vehicle and using the road-pricing as a tool needs to be bundled together at both ends.

Ms. Chang turned the presentation over to Ms. Bent, to discuss the Congestion Pricing Initiatives from the Mobility Access and Pricing's (MAPs) point of view. Ms. Bent produced slides regarding congestion pricing goals for the MAP study. The project's goals include sustainable growth in San Francisco using economy, equity and social justice concerns and environmental improvements and enhancements.

Ms. Bent defined congestion pricing as a package of improvements and not just the fee that most people are aware of and is the most controversial piece. Drivers need to see the value they are receiving. Some of the options for improvement could be reinvestment in transit services, new projects and new bus lines, increasing the frequency of service, signal timing improvements and road safety, as well as bicycle and streetscape amenities, pedestrian amenities, and whatever else that would be appropriate for San Francisco.

She said in London and Stockholm there has been an improvement in reliability between thirty and fifty percent, through improved traffic flow, road safety and vehicle emissions,

depending on whether you are in a car, or on transit. Stockholm is a much smaller program in a much smaller city than London but it has reinvested into new park-and-ride spaces and additional transit service. With regard to Rome, it was noted there was a difference in the types of vehicle emissions reductions in Rome, because they continued to exempt motorcycles and motorbikes from their congestion charge. In the case of some particular types of greenhouse gases, they saw an increase in emissions, and in others they saw a decrease.

Ms. Bent enumerated ways congestion pricing works and what the technology might look like through the use of detectors mounted to gantries or lamp posts, FastTrak responders, camera-based systems, on-street signage and education, and multiple payment methods. She reviewed international city areas and sample congestion pricing scenarios and examples of political and public acceptance of programs.

Ms. Bent then drew comparisons between San Francisco, in terms of the scale, and other cities mentioned, how well streets are performing and speeds measured. The map showed gave roads and segments operating below 10 mph on average in the afternoon or evening peak hours, as well as below 8 mph for transit, and below 30 mph on freeway segments. The map showed most of the congestion is in downtown, Civic Center and south of Market areas, which is where a lot of our businesses are located and where a lot of employment is, but it is clear that a lot of people are trying to get to the northeastern part of the city.

In looking at other statistics in the Bay Area over 9 of the last 10 years, transportation rates consistently as one of the most important problems according to the Bay Area Council. The Bay Area is the second most congested region in the nation according to the Texas Transportation Institute, and as part of the baseline analysis it is known that half of an average regional trip is spent in traffic delays. Also being tracked are economic and environmental impacts; San Francisco sacrificed 2.3 billion dollars in 2005 in terms of out-of-pocket costs from excess fuel and value of lost time sitting in traffic delays, and also the cost to commercial transportation and deliveries. In San Francisco, mobile source emissions account for 50% of equivalent CO₂, which is higher than the statewide average at 40%. The area most congested in San Francisco is the downtown Civic Center and the south of Market Street area. Half of those trips are made by cars on a daily basis. The City's transit mode-share is highest in the peak hours to and from downtown at about the mid-40% to low-40%. This is in sharp contrast to a public opinion poll done at the beginning of the study to understand how many people in the Bay Area feel that they have a transit option for their most common trip to San Francisco. 80% of respondents said they do have a transit option for their trip.

In looking at the map of travel to downtown San Francisco, significant congestion comes from trips made by people coming into San Francisco from the East Bay, North Bay and the South Bay. However, the South Bay has multiple entry points and no price control. She said that in the future, the types of development expected in the next 20 years or so necessitate proactive planning to avoid exacerbation of existing conditions. With regard to the reasons why congestion pricing is being looked at, Ms. Bent noted that the successful implementation in cities worldwide have shown there is public and political feasibility and acceptance for a program like this when it can demonstrate benefits. Also, the technology has matured to a point it is actually able to enhance the program rather hinder it.

Trends in congestion management also suggest pricing. The SFCTA has been asked to evaluate congestion pricing as part of the county-wide transportation plan and the San

Francisco Climate Action Plan. Discouraging driving is a clear category where congestion pricing would be found, but it is also a way of funding the additional categories and encouraging people to pursue the different actions in that category. Congestion pricing can encourage people to increase use of public transit, ride sharing, carpooling and bicycling, and fund improvements necessary to make them available.

She said when they look at where congestion is worse and what areas have the most options available for improvement, there are two ways they can look at congestion charging;

1) Focusing on a particular zone or area in the City, including how small a zone can be defined to begin to see how benefits might trickle to other streets or access roads to the network.

2) Focusing on the key gateways and entry points into the City and how congestion can improve by charging those gateways or key routes. Since there is no bridge coming in from the south making that the sub-area and gateway into the City is more porous than the north and east, there is no bridge coming in from the south, so they want to understand what happens in the area being evaluated, but also look at the potential diversion impacts and how they can be managed or mitigated. They will also look at the different types of improvement necessary to improve the options that people need to access their trips.

The key question for the SFCTA is whether congestion pricing is right for San Francisco. Ms. Bent reported that they know there are strong concerns, including equity – whether congestion pricing is fair in terms of income equity and geographic equity. They have found that many of the low income travelers are already on transit and are just as likely or more likely to support congestion charging than middle to higher income travelers. They also want to understand who would pay, what value they would receive, and how a program can be designed to suit their needs. They will also look at potential programs to minimize the impacts to people who do need to drive.

The other significant concern heard is whether or not San Francisco will continue to be competitive and what the business impacts will be from a congestion pricing program. To that end, the SFCTA is interested in looking at how congestion currently impacts San Francisco businesses. For example, the SFCTA has heard from businesses that they pay a higher fee for deliveries in the peak hour, and that some businesses have been forced to change their 30 minute guarantee of service within one hour because of rising congestion.

They are also looking at how other cities have fared with respect to congestion charging, how they have borne out impacts by size, location and sector and how that might impact San Francisco through economic analysis.

She presented a brief schedule of the study, stating they are currently focused on model development and analyzing the different scenarios and improvements that would be part of the package, are hoping to have recommendations by late summer/early fall of this year and expecting to hold public workshops in the summer to discuss alternatives and receive feedback prior to developing recommendations.

Tilly Chang, Deputy Director of Planning, gave a presentation of the Urban Partnership Program and selection of the Bay Area region as one of five cities to receive funding. She said they were able to secure the \$159 million grant as a part of a regional effort led by the Golden Gate Bridge District. (The Bridge District's resolution on March 14th secured the grant by providing legislative authority to implement a congestion-based variable toll on the Doyle Drive and Golden Gate corridor). Doyle Drive pricing is meant to demonstrate the

DOT's 4-T's that they have linked to congestion management: Tolling, Transit, Technology, and Telecommuting.

She described the elements of the grant program including, the Doyle Drive replacement project which is in the final stages of environmental review, the SFMTA's SF Go Traffic management of the SFMTA's SF Go Traffic Management Program which also provides signal priority benefiting Muni and Golden Gate vehicles, \$20 million in parking management projects to demonstrate the concept of congestion pricing in the context of parking supplies, \$12 million for construction of a parking structure at the Larkspur Ferry Terminal for the Golden Gate Ferry system..

Ms. Chang answered Chair Drennen's of why Muni did not receive any grant funds by replying that San Francisco applied with MTC and other jurisdictions and the DOT only chose to fund the San Francisco part of the program. Within that program, they reached out to the Golden Gate Bridge District, Muni, DPT and others, and the Bridge District at the time was not prepared to participate in the application and opted out of the process. The pitch was then made for enhancements to the BRT corridors, and they got signal priority through the SF Go program primarily because they saw that the tolling point was primarily going to affect North Bay travelers and so the argument was that Muni would not carry the bulk of those shifted trips. After they applied, the DOT surprised everyone by including \$12 million of ferry money which had not been sought as part of the original application. Then Golden Gate Bridge District decided that their basic constraint was at Larkspur in terms of access and parking, so that was their decision. Of the total program, almost half has been obligated already but others are awaiting further resolution of the Doyle Drive funding question.

She discussed the Doyle Drive facility and its need for replacement and said it rates 2 out of 100 on a federal scale without even seismic considerations that it needs. Therefore, San Francisco and the State have prioritized it as the highest rated safety project in the city and region. The project will have a total cost of about \$1 billion and has a consensus design plan. Of the \$1 billion, 2/3 of it has been identified, which leaves about \$370 million funding gap.

In response to a question from Mr. Dawid, she confirmed that none of the congestion pricing funds could be used for funding the replacement of Doyle Drive, but it could go to any project or service funded by the Golden Gate District.

Regarding variable pricing of parking, Ms. Chang reported that many people wonder if tolling can be a substitute for congestion road pricing, but also said that she believes that you will not get necessarily the location-specific effects that one is looking for. The MTA and the Port of San Francisco have already begun piloting and are about to launch an even larger scale implementation of parking pricing.

Mr. Dawid said one thing learned from the New York, London and Doyle projects is that it is key to get political buy-in. He confirmed with Ms. Chang that new state legislation or the use of existing toll authority that the Golden Gate District already had was needed to do a toll on Doyle Drive. She said it was originally felt that legislation should be pursued, with only the District serving as a back-up should it not come to fruition. Over the months, the District said they would prefer to be the toll entity and for the MTC not to seek out their independent legislation for purposes of securing the grant.

With respect to the Doyle funding problem, there would be some legislative authority needed to impose a further toll over and above what has already been decided.

Mr. Dawid said his understanding is that Washington, D.C. has the second highest level of congestion from the Texas Transportation Institute, and Aslow, Norway is included in the study.

In response to a question about what types of models were used for the congestion pricing study development, Ms. Chang said San Francisco has an activity-based travel demand model. She said it was originally only focused on San Francisco residents, and the MTC model was utilized to analyze regional traffic. As part of this study, they have expanded the San Francisco model so they now have a nine county Bay Area activity-based model which can look at regional interactions. She said for counties outside of San Francisco, they are not quite as refined as if they were in their own county model, but they are definitely not as aggregated as the MTC model.

Chair Drennen questioned in what ways the Advisory Council and Air District could be more involved or supportive to SFCTA's efforts in the future. Ms. Chang said they have four advisory councils and for agencies, they have a staff level and a policy level, and David Burch is the representative on their committee. They held two meetings already and will have another before the next round of public workshops. They have discussed how the different pricing policies and scenarios and study design will interact with existing policies of each of the different agencies. They also have a Stakeholder Advisory Committee and the Business Advisory Council that looks at citizen and advocacy issues as well.

Chair Drennen questioned if funding or staffing by the Air District could prove to be useful in the future for the project. She confirmed with Ms. Chang that there was discussion with Ms. Roggenkamp in sharing a local match, but in the end, MTC and the SFCTA were able to come up with the match together, but in the coming period, they would love to discuss partnering together in the next phase. She said the SFCTA would like the support by the Air District for any type of resolution that would come forward for either the study or the idea in context of Doyle Drive pricing. She believed the congestion link is there for both, as well as for parking. The San Francisco Municipal Transportation Agency Board will hold a hearing on April 15th to consider the variable parking proposal and any statements of support would be helpful. She said one of her comments will be to encourage them to be more specific in their policy about variable-izing price to manage demand and to also address the use of revenue.

Chair Drennen questioned if there were any policy issues that would be helpful or might be missing that the Air District could provide clarity on, such as equity, how funding is spent, revenues, and Ms. Chang said the drive toward policy is very much needed, and she believed she could discuss this with their full team and follow-up. Areas of interests include: how to evaluate emission impacts in the CEQA process, the idea of trading and monetizing greenhouse gas credits, and whether there are markets in which credits are being traded and turned into revenue streams that agencies and projects can use to fund or bond against. She said as part of the decision to purchase clean vehicles, this should be documented to indicate how it can be traded and credited, and monetizing what was part of that decision in order to go back later and say it was part of the decision-making.

Mr. Dawid confirmed that the \$12 million Golden Gate Ferry enhancement for the use of a parking structure came out of the Golden Gate Bridge District and they were not part of the Urban Partnership grant application, but proposed it through a separate funding source. He confirmed it was not possible to change the \$12 million. He referred to the Downtown Mobility and Pricing Study and questioned if the \$1 million grant from DOT runs out at a

certain point. Ms. Bent said she believed it runs out in December, but she would need to double-check. It must be used within 3 years, and they were well within that timeframe. She said the study is intended to determine whether congestion pricing is right for San Francisco, to define the feasible scenarios and also to identify a pilot project within parking management.

Mr. Dawid questioned and confirmed that legislative authority would be needed to do any type of pricing. He confirmed that the gantry cannot be placed on Highway 101, but can be placed on the exit. He noted 52% of the people going to downtown are from within San Francisco, and he believed the non-San Franciscan people should be identified. In the New York proposal, they were going to credit anybody who paid a toll that would be subtracted and he confirmed this would be considered, but no decision has been made on this. Mr. Dawid said he would love for the study to be used as a way to get into the South Bay people because they are those that can get into San Francisco without paying any type of toll. It was stated that this argument has been made, it is part of the balancing, and trips within San Francisco are being shown as the bulk of the problem. Mr. Dawid questioned and confirmed with Ms. Chang that it could be suggested to look at a southerly cordon and identify the use of funds to invest in projects like a downtown extension to a Trans Bay Terminal, or Caltrain electrification or other refined options. But, the larger ones are being proposed and they can narrow down as the rationale gets clearer.

Chair Drennen suggested looking at the Air District and car registration fees and the taxes. She just purchased an electric car to register it and paid \$6 to the Air District. She asked if the Committee would want to have the Air District work with DMV to levy car registration fees as a way of looking at this. Mr. Dawid said he is suspect of registration fees because they are fixed regardless of it producing low or high emissions. We want to encourage the turn-over of vehicles but also encourage getting rid of 1980 cars. He said he believes the Air District should tackle operational costs as well as legislation, and he discussed his experience with AB 2444 which was vetoed by the Governor last year. He also suggested learning more about AB 2744 (Huffman) which would propose a Climate Protection Fee of up to 10 cents. If it passed the legislature, it would still need to go to a vote of the people. Chair Drennen questioned the timing of the Bill, and Mr. Dawid said it was introduced this year and it may not make it this year, but possibly next year. Chair Drennen said another possibility is whether there is interest about hearing about the parking management issues and ways of tackling it. Mr. Dawid said the Committee might like to hear about what Redwood City has done with their model.

Mr. Oku agreed, and said what he has seen is a movement toward charging individual vehicular drivers which is important, but also improving mass transit, you create a usable system and nexus for people to get where they need to go and then the price will move them over to that system. Chair Drennen said it serves as a carrot to affordable and accessible public transit and agreed this could be agendaized.

6. Committee Member Comments/Other Business:

Chair Drennen said the meetings have been moved to Thursdays and Dr. Holtzclaw cannot attend meetings on Thursdays. She asked that a poll be done and confirmed three Committee members noted Wednesdays were good dates for meetings.

7. Time and Place of Next Meeting: 9:30 a.m., June 5, 2008 – 939 Ellis Street, San Francisco, CA 94109.

8. Adjournment. 11 :00 a.m.

/s/Lisa Harper
Clerk of the Boards
For : Jean Marie Mink
Temporary Executive Secretary

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109
(415) 749-5000

APPROVED MINUTES

Advisory Council Regular Meeting
9:00 a.m., Thursday, May 15, 2008

Call To Order

Opening Comment: Chairperson Bedsworth called the meeting to order at 9:07 a.m.

Roll Call: Louise Bedsworth, Ph.D., Chairperson, Harold Brazil, Ken Blonski, Robert Bornstein, Ph.D., Jeffrey Bramlett, Irvin Dawid, Emily Drennen, MPA, Fred Glueck, William Hanna, John Holtzclaw, Ph.D., Robert T.P. Huang, Ph.D., Kendal Oku, Linda Weiner and Brian Zamora.

Absent: Cassandra Adams, Sam Altshuler, Steven T. Kmucha, Kraig Kurucz and Karen Licavoli-Farnkopf.

Public Comment Period – There were no public comments.

Consent Calendar

1. Approval of Minutes of March 12, 2008

Council Member Dawid requested the following amendment:

- Page 9, last paragraph, amendment to the first sentence; “Mr. Dawid commented that, out of 1.2 million wood burning devices, 1.1 million are fireplaces, and...”

Committee Action: Council Member Holtzclaw moved to approve the Minutes of March 12, 2008, as amended; seconded by Council Member Zamora; carried unanimously without objection.

Committee Reports

2. Technical Committee Meeting of April 7, 2008

Chair Bedsworth reported that the Technical Committee received a presentation at its April 7, 2008 meeting on the consequences of changes in temperature, inflow boundary conditions, and local emissions on air quality in Central California by Dr. Rob Harley. She said Dr. Harley spoke on what future emissions will look like considering population growth, advancing technologies

and climate change, discussed the EPA's Community Multi-scale Air Quality Model (CMAQ) used to predict ozone and other concentrations, the Regional Climate Model which provides detailed information about California's temperature change, global warming information, range of regime, saturation of topography and future emissions and their factors. He further reviewed a summary of ozone effects in the Fresno, Sacramento and Bay Areas and projections into the year 2050, pointed out that California has committed to reducing greenhouse gas emissions to 80% below 1990 levels by the year 2050, and spoke of mitigation progress.

Council Member Bornstein said at Dr. Harley's presentation, when he pointed out the work done and he tried to reconcile Dr. Harley's results, Dr. Harley acknowledged that he used daily average temperatures which show warming, but since the ozone is sensitive to maximum temperatures which have been cooling, he acknowledged the work must be redone with a variation. And, results showing upward projections based on warming do not match what has been happening in the Bay Area.

3. Public Health Committee Meeting of April 9, 2008

Council Member Brian Zamora stated that the Committee had reviewed and discussed the Final Draft Strategy for Asthma as it Relates to Indoor Air Quality, which he said would be delayed until July 9, 2008 due to final incorporation of information. He reported that District staff gave an overview of the CARE Program, the West Oakland Health Risk Assessment, the CARE Mitigation Action Plan, and voiced the need to increase representation on the CARE Task Force. At the next Committee meeting on June 4, he hoped to see the revised text of the regulations for wood smoke in order for the Committee to make a recommendation to the Council and Board, and he confirmed with Council Member Dawid and Chair Bedsworth that the issue of the alternative resolution on wood smoke as a bio-fuel could be discussed for review at the Committee level.

4. Air Quality Planning Committee Meeting of April 10, 2008

Council Member Emily Drennen stated the Committee received two presentations; Lisa Klein from MTC presented information on MTC's High Occupancy Toll Lanes Study and an overview of road pricing strategies currently used and proposed for the Bay Area, and their policy implications were presented by Tilly Chang of the San Francisco Transportation Authority. She said the Committee did not adjourn to a date certain next month; however, she believed the next meeting would occur on the third Monday of the month if this was amenable to Council Members' schedules.

5. Presentation on Multi-scale and Multi-pollutant Modeling Research and Its Applications to Address Human Health and Ecosystem Issues. *Dr. Rao, Director, Atmospheric Modeling Division, National Exposure Research Laboratory, U.S. Environmental Protection Agency, provided an overview of the Community Multi-scale Air Quality (CMAQ) modeling system and discussed its applications with regard to the effects of climate change on air quality and the relationships between air quality and human/ecosystem health.*

Dr. Rao first introduced Dr. Sten who serves as Chair of the Scientific Committee on Air Pollution Modeling.

Dr. Sten reported he was in town perusing available facilities to hold an Air Conference this time next year in San Francisco; that scientists from NATO countries from all over the world would come and present information on air pollution modeling, its application to the region, air pollution and health, as well as a special session on the California 2000 Field Study. They are delighted to be holding the conference in San Francisco and anticipate its success.

Dr. Rao thanked Council Member Bornstein and others for their coordination in scheduling the presentation. He discussed health impacts of poor air quality, stating that the EPA estimates that in the year 2010, meeting air quality standards would:

- Prevent 23,000 Americans from dying prematurely;
- Avert over 1,700,000 incidences of asthma attacks and aggravation of chronic asthma;
- 67,000 incidences of chronic and acute bronchitis;
- 91,000 occurrences of shortness of breath;
- 4,100,000 lost work days, and 31,000,000 days in which Americans would have had to restrict activity due to air pollution related illness; and
- 22,000 respiratory-related hospital admissions would be averted, as well as 42,000 cardiovascular hospital admissions and 4,800 emergency room visits for asthma.

Dr. Rao said additional impacts of poor air quality result in visibility impairment, acidic deposition, eutrophication of coastal areas, crop damage, and air toxics such as mercury which is estimated to reduce the U.S.'s productivity of fish by \$8.7 billion per year.

He discussed the Clean Air Interstate Rule (CAIR) and its effect on NO_x emissions, future air quality management challenges, the Atmospheric Modeling Division's (AMD) strategy to meet user needs, linking emission sources to ecosystem and human exposure, and sound science for environmental decisions. He stated managing air quality requires modeling tools that connect among various scales and he presented global, regional, local and personal examples.

Dr. Rao discussed air quality research framework in understanding atmospheric processes and predicting changes in air quality through observation and modeling, to transitioning research to applications, making scientific-based air quality management decisions, refining decisions and strategies and then evaluating program effectiveness. He presented the CMAQ "One-Atmosphere" modeling system and framework, CMAQ users world-wide, the application of evaluating the interactions of climate change and air quality, future climate simulations which suggest extension of the ozone season, and the influence of aerosols on the radiative balance of the Earth-Atmosphere system. He said in most of the eastern United States, ozone is a summertime problem in September, but this problem would be extended based on projections.

Dr. Rao said they are developing an WRF-CMAQ Coupled Modeling System which allows interactions between met and chemistry, said nitrogen deposition is an important contributor to coastal eutrophication, and discussed said the CMAQ applications linking airsheds and watersheds for ecosystem analysis.

Regarding regional air quality, the NO_x SIP call has dramatically reduced emissions in the eastern United States. He presented graphs of CMAQ sensitivity to emissions and meteorological changes, HYSPLIT back-trajectories during the 1998 ozone season and reductions in daily max

8-hour ozone to wind trajectories from the Ohio River Valley, and impact of NO_x SIP call, stating emissions have been reduced and greater improvement in air quality has been simulated and demonstrated. However, more study is needed to understand how exposures change, their connection and how they lead to hospital admissions. He described sources and partnerships for better characterizing air quality such as the EPA for monitoring, NOAA for modeling, NASA for satellite and the Department of Agriculture for wildfires.

Dr. Rao discussed characteristics and uses for Environmental Public Health Tracking (EPHT) data which detects unusual trends, populations at risk, develops information for better clinical care and individual health action and facilitates policy development. He further discussed the PHASE Project's objective and scope as developing and evaluating alternative air quality characterization methods for EPHT, with an overall goal of producing information that can be routinely used to track potential relationships between public health and air quality. Multiple scales are important in linking urban air quality to exposure and he discussed modeling tools available and a case study in New Haven, Connecticut relating to locations of emission sources, roads and census block group centroids. He presented modeled annual average benzene concentrations, micro-scale hot spots like roadways and said new findings on roadway pollution which indicates that about 60 million people live within 200 meters from roadways.

In summary, air quality in the United States has improved since the inception of the Clean Air Act; however, the NAAQS for 8-hour ozone and fine particles continues to exceed in some parts of the country. A better understanding of the interactions of climate change and air quality is needed, and improved air quality models are needed to address near-roadway pollution and population exposure to harmful levels of toxic air contaminants.

Council Member Weiner referred to the PM 25 standards in 2020 and he confirmed with Dr. Rao that this takes into account federal rules but not control policies from SIPS, but aggressive programs would be undertaken at the State level.

Council Member Weiner further confirmed that Dr. Rao's reference to the influence of air cells and cooling effect takes into account government climate change results; however, aerosol interactions have not gone into the models because of the way the model is used. Current conditions are modeled and then the impact is reviewed as to whether or not the change in emissions is sufficient. If it is, this is the strategy that gets put in the SIBs. Dr. Rao said it may not be the same year round, so it is arguable that a multi- or decade-type situation is needed to better understand these interactions and have confidence in pollution policy plans.

Council Member Bornstein referred to mercury and questioned if the EPA has determined that local power plants in the east are the source, or was it more of a regional problem. Dr. Rao said studies were done in terms of quantifying the internal transport which is substantial and clearly the power plant location will have nearby impacts, but the overall source was a global problem. He believed the problem would most likely be handled differently under the new Administration.

Council Member Glueck questioned whether there is a way to gauge increases and monitor levels of emissions based on percentages of populations for land use planning purposes in order to balance higher densities. Dr. Rao believed that often times the future is based upon estimates;

designing a policy today to be implemented in the next 10 years would better serve as a baseline from which to track emissions and determine whether increase or decrease is due to population change economic activities, VMP or other reasons.

Council Member Blonski referred to worldwide model users, believed there is a fair amount of modeling in China and Asian, and questioned to what degree the scientific community was working together between the United States and China. Dr. Rao said while communications could be better, he acknowledged China and India's exponential growth, said there are many who visit the United States from China and vice versa each year where discussion and interaction occurs, and there are some US/China bilateral agreements in place; however, China is unwilling to share some of their data and they do not have the same rigor in terms of modeling and collection of observation as does the United States.

Council Member Huang requested Dr. Rao discuss the intercontinental transport and its impact in California. Dr. Rao said transport was recognized as a problem 10 years ago. Data has shown that controls are working towards reducing emissions, but that growth is unable to be offset. He said there is a multi-national working group and LRTAP is bringing together modeling tools to simulate transport and in 2010. A study will take place in California that specifically will look at what the influx of pollutants will be and this is why worldwide models are needed.

Council Member Holtzclaw questioned the control of emissions in China and India, and Dr. Rao said there is an EPA Central Control Board in India, some of the more significant changes are being dictated by the courts and not by the Pollution Control Board, and air quality has improved significant from 10 years ago. He discussed India's use of lead free gasoline, three-wheeler conversions to CNG, and agreed the population is concerned.

Chair Bedsworth confirmed India was starting to move in the direction of planning for integrating models. The National Academy of Sciences came out with a report asking their agency to start imposing multi-strategies, but how one puts together a SIP is an issue.

David Mobley said EPA is trying to implement the policies and are moving toward multi-pollutant and multi-media control.

Jean Roggenkamp, Deputy Air Pollution Control Officer, asked if there has been a pilot program of analytical tools for a control strategy in assessing the benefits of a multi-strategy for pollutants. Dr. Rao said the state of New York is trying to investigate how one would implement this and they are anxious to learn about it. Ms. Roggenkamp was pleased to hear of the interest at the national level, and believed both the analytical tools and policy instruments used are important to serve the public.

Chair Bedsworth, on behalf of the Advisory Council, thanked Dr. Rao for his presentation and presented him with Air District momentums.

Air District Overview

6. Report of the Executive Officer/APCO

Acting on behalf of the Executive Officer/APCO, Jeffrey McKay, Deputy APCO, said the Budget and Finance Committee reviewed and recommended the Air District's Budget to the full Board of Directors. While significant grant funding has been received to date, he said the Budget maintains prudence with no increases in staffing, except for the addition of a contract Health Officer.

He further reported community meetings had been completed on the Wood Smoke Rule and full adoption should occur in July by the Board of Directors.

Regarding climate protection, Mr. McKay said the Executive Officer is moderating a panel at the Climate Action Registry Conference in San Diego, California. The Air District is pursuing work with local governments to assist them in their inventory requirements, and next Wednesday the Board will be considering adoption of a new fee rule which includes a greenhouse gases fee.

Mr. McKay reported the CARE program is moving ahead and seeks to identify health risks in six communities. The West Oakland Health Risk Assessment is relevant to the topic, it is hard to overstate the importance of the on-road truck rules and the effects of diesel, and the Air District targets dollars in these areas. He said the Green Ports Initiatives are also moving forward. The Executive Officer met with the Port of Oakland yesterday, the Air District is hoping to meet their plan goals and is assisting the Planning Commission in creating their inventory.

Council Member Holtzclaw thanked the Air District for bringing forth a Spare the Air Day along with a Bike to Work Day, and congratulated staff for working on an agreement relating to insurance and bicycle safety, a model of which may be replicated around the region. Mr. McKay acknowledged concerns relating to infrastructure for employees to utilize bicycles to work and credited the Human Resources Manager for moving forward on addressing the issue.

Council Member Dawid questioned why the Air District held a Spare the Air Day prior to the ozone season's start and questioned the historical background of Spare the Air Day. Ms. Roggenkamp reported that due to unpredictable weather, Spare the Air Day has been held outside of that period and due to higher standards, it could get to the point where there are unhealthy days for everyone. In such cases, the Air District makes that announcement.

Chair Bedsworth referred to the one free transit day in June and questioned whether this came forth as a result of a budget decision. Ms. Roggenkamp replied there are limited dollars for any kind of transit incentive program due to reductions in TFCA dollars and other grant funding. The decision was made to have two days this summer. However, as the standards changed, they modified the program to address the situation and the decision was made to have one free day of transit which may or may not be held on a Spare the Air Day. She said the Air District will use money set aside for additional incentives and education, focusing on the climate and sparing the air.

Council Member Dawid questioned whether the episodic focus of the Day had been abandoned as a result and Ms. Roggenkamp responded, stating the free transit will not be associated with an episode. The Air District realized there is not enough money to provide free transit on Spare the

Air Days but hopes the actions taken by the public will continue to contribute toward reducing pollutant loads.

Council Member Hanna referred to a newspaper article relating to gas prices which has increased transit ridership. He believed BART was already at their parking and ridership limits, questioned whether those impacts would reduce users on Spare the Air Days and suggested coordination be made with other transit agencies to increase their collection of the concentrated ridership. Ms. Roggenkamp said the Air District has a dialogue with transit operators. She agreed the increase is a challenge; however, people in the Bay Area are motivated and the Air District can assist in helping agencies talk to each other about ways of accommodating given increased ridership.

Council Member Weiner requested a brief update on the Green Points Initiative, and Ms. Roggenkamp said the Port of Oakland, ARB and the Air District have worked on an inventory of emissions and activities, there are other ports in the region that have not gone through that activity and the Air District is working with those agencies, which included Benicia, San Francisco, Redwood City and Richmond.

Council Member Holtzclaw said he was on the Advisory Public Media Group when Spare the Air day began and the thought behind it was to get people used to identifying other ways of using transportation and trying those alternatives on Spare the Air Days. He believes the Air District is making positive steps forward in asking people to find alternative ways to get to work and while it is not another free transit ride, it is a logical step forward.

Council Member Brazil questioned whether the outreach also focuses on land use decisions in addition to transportation. Ms. Roggenkamp said the Air District focuses its awareness campaign about the correlation between air quality, health and changing behaviors, acknowledged the importance of land use decision-making, and believed the area could be explored in moving forward.

Council Member Weiner said she thought the most effective public message which will have an impact are those derived from the intended audiences or users, and she asked that the Air District look at this more closely when formulating social marketing campaigns.

Air District Overview:

6. Report of the Executive Officer/APCO: None

Other Business:

7. Council Member Comments/Other Business

Council Member Drennen announced that the California Supreme Court had just ruled in favor of same-sex marriage, on a vote of 4-3.

Council Member Dawid announced the Board of Directors would hold a public hearing on May 21, 2008 to consider adoption of proposed amendments to District Regulation 3: Fees and

approval of filing of a Notice of Exemption from the CEQA. He believed this would be one of the most important regulations of the Air District.

Council Member Weiner thanked Air District staff for providing her with media exposure in the San Francisco Chronicle and San Francisco Examiner, who both covered Spare the Air Day activities.

Council Member Holtzclaw thanked staff for providing the PowerPoint presentation in color, stating it was much easier to follow.

- 8. Time and Place of Next Meeting:** Council Members will be polled for the next meeting date, to be held at 939 Ellis Street, San Francisco, CA 94109.
- 9. Adjournment:** The meeting adjourned at 10:44 a.m.

/s/ Lisa Harper
Lisa Harper
Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 749-5000

APPROVED MINUTES

Advisory Council Executive Committee
Immediately Following the Regular Advisory Council Meeting
Thursday, May 15, 2008

1. **Call to Order – Roll Call:** Chairperson Louise Bedsworth, Ph.D., called the meeting to order at 10:58 a.m.

Present: Louise Bedsworth, Ph.D., Chairperson, Jeffery Bramlett, Harold Brazil, Emily Drennen, and Kraig Kurucz,

Absent: Kraig Kurucz

Also Present: Fred Glueck

2. **Public Comment Period:** There was none.

3. **Approval of Minutes of March 12, 2008:**

Mr. Brazil requested amendment to the spelling of Ray Kon's name on the first page of the minutes.

Committee Action: Ms. Drennen moved approval of the minutes as amended; seconded by Mr. Bramlett; the minutes carried unanimously.

4. **Standing Committee Chair Reports:**

A) Technical Committee Meeting of April 7, 2008

Chair Bedsworth gave the report on behalf of Committee member Kurucz, stating at the April 7, 2008 meeting the Committee received a presentation on the consequences of changes in temperature, inflow boundary conditions, and local emissions on air quality in Central California by Dr. Rob Harley. She said Dr. Harley spoke on what future emissions will look like considering population growth, advancing technologies and climate change, discussed the EPA's Community Multi-scale Air Quality Model (CMAQ) used to predict ozone and other pollutant concentrations, the Regional Climate Model which provides detailed information about California's temperature change, global warming information, the range of regime, saturation of

topography and future emissions and their factors. He further reviewed a summary of ozone effects in the Fresno, Sacramento and Bay Areas and projections into the year 2050, pointed out that California has committed to reducing greenhouse gas emissions to 80% below 1990 levels by the year 2050.

B) Public Health Committee Meeting of April 9, 2008

Committee member Drennen said the meeting date will be changed and confirmed the third Monday works for almost everyone, and the next meeting would be scheduled for 9:30 a.m. on June 16, 2008.

Executive Office Manager Mary Ann Goodley said staff would be polling dates for the June 2nd Technical Advisory Committee, as well as alternative dates for the next Public Health Committee.

C) Air Quality Planning Committee Meeting of April 10, 2008

Chair Bedsworth reported that on April 10th she attended the Board of Directors Executive Committee meeting and provided an update on the Advisory Council Executive Committee's activities and work. She said there is a lot of interest on the resolution coming from the Public Health Committee on Indoor Air Quality and Asthma and said discussion was given on education of wood burning devices and indoor air quality.

Chair Bedsworth reported that at the next meeting, the Indoor Air Quality matter will come to the full Advisory Council. Mr. Glueck referred to the resolution and questioned whether the District determined that information in the resolution would be used for informational purposes or, has the Air District has determined it has or will have the ability to affect indoor air quality in the future from a regulatory standpoint.

Ms. Roggenkamp said the resolution is a step in indoor air quality and the focus of the resolution serves to assist staff in answering questions on indoor air quality and how to better coordinate with local health departments. She said in every legislative session there is information presented about ARB taking a more defined role in indoor air quality. But, at this point, the recommendation focuses on information which serves to answer questions and better coordinate with local health departments.

Committee member Bramlett agreed there are many easy things that can be done, but they take time and coordination. Mr. Glueck said he was curious about the resolution's focus, given the public's impression from wood smoke and influences the government has on private households. Ms. Roggenkamp said she believed this was an important area to concentrate efforts on because there are significant health impacts, and agreed it would take time, coordination and education.

5. Chairperson's Report

Chair Bedsworth referred to the recruitment efforts for Dr. Kim, and Ms. Goodley reported that the Personnel Committee was to meet on May 2nd, but this meeting has been rescheduled for May 30, with interviews to be conducted.

Chair Bedsworth referred to attendance of Committee members and questioned if this was something considered by the Board in making appointments. Committee members confirmed with Ms. Roggenkamp that the Board of Directors is interested in attendance records when filling vacancies on Committees.

6. Committee member Comment/Other Business:

Chair Bedsworth stated the Committee would address the indoor air quality resolution at length at the next meeting. She said the Committee discussed getting the RTP on the agenda, and Committee member Brazil suggested that a CARE update also be provided. Committee member Drennen recommended discussion of the Committee and drafting of a resolution, which she would volunteer to do, on road pricing. She said their plan of having work products was working, and the Committee believed that overall, the Board of Directors was happy with all Committees' focus and associated goals.

7. Time and Place of Next Meeting: The next meeting will be scheduled upon polling of the Committee members, to be held following the regular meeting in Conference Room 716, 939 Ellis Street, San Francisco, CA 94109.

8. Adjournment: The meeting adjourned at 11:12 a.m.

/s/ Lisa Harper
Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

APPROVED MINUTES

Advisory Council Technical Committee
9:30 a.m., Monday, June 9, 2008

- 1. Call to Order – Roll Call.** Chairperson, Kraig Kurucz called the meeting to order at 9:52 a.m.

Present: Sam Altshuler, P.E., Fred Glueck, John Holtzclaw, Ph.D., Kraig Kurucz, Chairperson.

Absent: Louise Bedsworth, Ph.D., Robert Bornstein, Ph.D.

- 2. Public Comment Period.** There were no public comments.
- 3. Approval of Minutes of April 7, 2008:** Member Altshuler requested minor editing to pages 3 and 6 and to correct the spelling from Bart “Kruse” to “Bart Croes”.

Committee Action: Member Glueck moved approval of the minutes as amended, seconded by Member Holtzclaw; carried unanimously without objection.

- 4. Past and Future Temperature World-Wide, in California, and the Bay Area:** *Dr. Philip B. Duffy of the Lawrence Livermore National Laboratory, will provide a presentation on historical temperature trends, possible causes, projected future temperature trends and their uncertainties.*

Dr. Philip Duffy, Lawrence Livermore National Laboratory, provided a technical PowerPoint presentation, that he hopes the Committee finds informative. His purpose is to inform the Committee of some issues and hopes to provide a better understanding of what we know and do not know, but said it is not definitive or prescriptive.

Regarding temperature trends that affect air quality in the Bay Area, Dr. Duffy said while we know a lot about temperature trends, the questions the Air District is asking are challenging, as the San Francisco Bay Area region is very small for global models. They usually deal with much larger scales, things get complex on small scales, and what really impacts air quality is daytime temperature trends in the summer, which is exactly what they do not understand.

Dr. Duffy provided his background, stating he is a physicist by training, has worked on climate research issues since 1990, he mostly does numerical computer modeling of climate, recently he focused on climate change in California past and future and societal impacts. Therefore, he considers himself to be a generalist as compared to many scientists. He serves

as Director of a University of California Institute to study climate change impacts on air quality, agriculture and human health.

Dr. Duffy presented an outline of historical temperature trends globally, in California and in the Bay Area, covering the cause of the trends, a discussion of uncertainties and a summary, including thoughts for future research. He said temperature trends show a gradual cooling until the start of the industrial revolution and then a rapid warming which we now believe is due to increased greenhouse gases which are the result of combustion of fossil fuels. We do think that at least some of this warming is not of natural origin because of the high rate of warming during the 20th century compared to warming during previous centuries. Another reason is that computer models cannot explain the rapid warming at the end of the 20th century without including natural and human factors.

He presented an observed temperature trend (red line) going back to the before the start of the 20th century, and another trend (gray line) which is a family of computer simulations which do not include human influences and includes natural factors, but do not explain the rapid warming at the end of the 20th century. Similarly, the final panel is red and observed and the gray is computer simulation, including only human factors, but not some of the so-called natural forces, specifically solar variability and volcanos. Here, we can explain the warming at the end of the 20th century but not at the beginning. And the final panel shows the red curve is observed warming, the grey is computer simulations including both human influences and so-called natural forces. So the message is that, to fully explain the temperature history of the 20th century, we need to invoke both natural variability, natural forcings and also human influences. Because of analysis like this and others, we have increasing confidence that humans are changing climate on a global scale, and he presented three successive ICC reports dated 1995, 2001, and 2007 on climate change with quotations expressing increasing confidence that at least some of the warming seen, particularly in the latter half of the 20th century is not of natural origin.

Regarding temperature trends in California, Dr. Duffy presented temperature trends over 50 years from 1950-2000, which identifies summer and winter and the daily average of the daytime maximum temperatures which occur during the daytime and the bottom row is nighttime minimum temperatures over 24 hour cycles. The panel results are from different observational data sets which are nominally equivalent. They are in rough, but not perfect agreement. In looking separately at summer and winter, and separately at night and day, there are very different temperature trends. Gray regions have no statistically significant temperature trend. If you compare each there is more warming in winter and if you compare the bottom row to the top row, there is more warming at night than in the daytime. The summer daytime trend shows no warming. This is the time and season that has most impact on air quality, but here they really do not see a trend. We think we understand that, but they are not completely sure. The Bay Area has similar temperature trends to the rest of the State. And, the State has similar trends to the western US region.

Dr. Duffy said the observation of warming we see with thermometers is corroborated by related observations. He presented 50-year trends in snow water equivalent, which is a measure of snow on the ground. Red circles show decreasing snow trends over 50 years, which is a consequence of warming. The message from this is that many of the regions with less snow have no significant trend in precipitation and the loss of snow is presumably due to warming.

The other thing they see which confirms the existence of warming is that if you look at the rivers that drain the west side of Sierra where we get our water supply from, the flow is coming earlier in the year, which is consistent with warming which is consistent with more precipitation coming in the form of rain rather than snow, and it is consistent with snow melt happening earlier in the year.

Regarding detection and attribution, just because we see a trend, it isn't always due to humans. He presented Antarctica trends, said a year ago he looked at California temperature trends and questioned whether we think these are likely to be natural or human influences. They looked at observed rates of change of temperature and compared them to model simulations of the most rapid change in temperature likely due to natural factors. The results show a positive trend in nighttime temperatures that is warming over 50 years, an estimate of the most rapid trend which they believe is due to natural variability, and some non-natural factor must be contributing to this warming. They estimated the maximum warming possible due to natural variability by using model simulations, taking very long simulations and divided them into 50 year sections and looked at the simulated trend over time, developed a histogram of simulated trends due to natural factors only and they looked at the largest possible trend, which provided an estimate of a maximum rate of warming due to natural variability. They did this analysis for all seasons individually and for day and night and what is shown is more warming at night than in the daytime, there is more warming in winter than in spring and in summer daytime there is essentially no warming. They believe that in winter and spring, some of the warming trends are too rapid to be entirely natural.

Dr. Duffy reiterated that the Bay Area seems to share similar trends with the State of California. He looked at some of the station data and looked at nighttime/daytime, summer/winter trends, and they look similar to the data sections, which is there is generally more warming in winter and generally more warming at night.

Regarding what they believe is causing the trends, Dr. Duffy said the sort of climate models that are normally used to predict climate really do not reproduce what has happened historically in California. And this gets back to his point of that the Air District is asking him to look for what is a very small region. Climate models today are considered to have validity on the scale of continents and sub-continental scales even when looking at the scale of the entire State of California. He presented a slide detailing observations that the models do not reproduce observed historical temperature trends on the scale of the state of California.

Dr. Duffy presented and discussed the multi-observational data sets and nighttime, daytime, summer and winter trends, stating the models do predict some warming in the summer daytime. The key question is what is going on with daytime summer temperatures is historically, climate models do not reproduce what has already happened, which is a little disconcerting, but there are reasons for this.

The coarse-scale global models do not include a lot of the drivers or forcing factors that effect regional scale climate. Some of those are land use change, which includes irrigation and urbanization. In California, irrigation is a very significant driver of regional climate and actually a cooling influence. The other factor that is a cooling is aerosols. Their effects are not well understood and not represented in the global scale models, and agricultural aerosols are not represented at all in the Central Valley. The other factor not in the model is the snow

albedo feedback, which is an amplifying effect on warming wherein the loss of snow itself creates warming, and in the course-scale models, there is no snow. So, we know that course-scale global climate models do not include a lot of the factors and influence that influence regional scale climate, and the models are very, very course and they do not really adequately resolve the regional scale climate processes.

Dr. Duffy presented an observational study done by Drs. Bonfils and Lobell, said they looked at historical observations of temperature in California and they clearly showed for the first time that irrigation has had a significant influence on climate in California. The influence is a cooling in daytime in summer. This is part of the explanation of why, in looking on a statewide basis, we do not see any warming in summer in daytime; due to aerosols and irrigation. Irrigation exerts a cooling influence because if you wet the surface, there is more evaporation and that causes cooling. And this effect is strongest in the daytime and in summer due to irrigation. He presented model simulations that show irrigation can have a significant local cooling influence, temperature change due to a simplified representation of irrigation in a climate model, the August mean temperature, which shows keeping a surface wet locally cools the surface by degrees, which is a lot.

The other factor which he believes has a cooling influence on summer and daytime is the increased sea breeze, which is a consequence of global warming because it results from more rapid warming in the inland than coastal regions and is a consequence of the system being out of equilibrium or in a warming transition phase. The mechanism is when the temperature gradient increases, the sea breeze should increase and he said there is some evidence in the observations that this is happening. One of the things about this is that it is hard to imagine how this driver of climate will evolve as climate change proceeds.

Dr. Duffy said the other issue that needs more attention and something that will help us understand better is looking at other regions and reviewing those temperature trends. There is less warming in daytime, irrigation, aerosols and increased sea breeze are a cooling influence during the day. If there were an increase in low cloud it would be a cooling influence during the day and a warming influence at night. He said there was a paper which looked at the four days after 9-11 when there was no commercial air travel, and researchers saw a significant change in the observed temperature range during those four days which documents an influence of aircraft contrails on regional scale climate.

Regarding why there is more warming in winter and spring, Dr. Duffy said the reasons are similar—there probably is in reality a snow albedo feedback which amplifies wintertime warming. Interesting is that even though there is more snow loss in winter, the mechanism is increased through reflection of sunlight, so it is stronger in spring because there is more sunlight. Irrigation, sea breeze and aerosols are summer influences, and these mechanisms will tend to act preferentially in summer and in daytime.

Regarding the future, Dr. Duffy said he thinks the 21st century will be simpler than the 20th century was. He presented a schematic representation of the effects of different forcings on California temperatures including CO₂, aerosols, irrigation, and sea breeze for the 20th and 21st centuries. He believed the warming influences should get stronger and the cooling influences should get weaker. Greenhouse gases are clearly going to accumulate in the atmosphere and will become the dominant influence on climate; however, they are not right now. He said urbanization clearly is going to get stronger, aerosols are going to get weaker

as air quality improves, he thinks there is no avoiding the conclusion that irrigation is also going to be weaker as a climate influence because we are not going to be able to use as much water in the Central Valley as historically done, the amount of agriculture land will decrease and there will be water scarcity and irrigation will be practiced in a manner that uses less water.

Dr. Duffy presented predicted statewide trends and predicted temperature changes, stating there are 45 curves which represent 3 emission scenarios (scenarios for emissions of GHGs), they are based on different rates of population growth, economic growth, the use of coal, nuclear, etc. Half of the spread is due to the different scenarios and for half of any given scenario, the models do not agree because none of them are perfect. Also on the same scale, he presented the observed historical warming for California. The message is that, although there is a lot of uncertainty in future warming, even at the low end of the range it will be much more than we have already seen according to the models.

The other issue for air quality is temperature extremes which have many societal implications, such as air quality, human health impacts, implications on energy demand and he presented information from a study done for the Energy Commission. The picture in the slide illustrates a projected increase in temperature extremes on a statewide basis, showing the maximum one-hour temperature during each year, which increases very rapidly. He said though, looking at temperature over one hour is probably not the best measure of extreme temperatures. However, the mean temperatures in California are going to increase much more rapidly than they already have and temperature extremes will also increase, which has significant impacts on air quality particularly ozone.

In parting, Dr. Duffy said historical winter and spring warming in California seems to be too rapid to be entirely natural. In local regions like the Bay area, multiple factors have influenced temperatures. Irrigation, aerosols, increased sea breeze have probably slowed summer daytime warming in California, winter warming seems to be more rapid than can be explained by greenhouse gasses alone, and the 21st century may be less complicated than the 20th century was, and it will be warmer.

Dr. Duffy said what is needed and useful would be to look one at a time at the effects of these different factors that influence climate, such as doing careful simulations just of the effects of irrigation on climate, just on aerosol, just on greenhouse gasses, just urbanization, and what it will do is allow them to characterize the climate signatures that affect climate. Once we know what these should look like, then we can look for it in the observational record. Also what will help us understand what is going on in California is looking at neighboring regions. Also, when making future projections, we have used either very course models that include both the ocean and the atmosphere or fine resolution models that actually do not include an interactive ocean, and this is significant for the Bay Area because there are issues like the increase sea breeze effect, upwelling on the coast, which has not yet been adequately modeled.

Member Glueck questioned that, with all of the influences in the Bay Area, why are not some of the local studies being compared to areas outside the Bay Area. Dr. Duffy said the temperature records exist throughout most of the country, just by doing the comparison part one could learn a lot, but if the measurements have not been made, it's too late to do that.

But just by doing the comparison part, we could learn a lot, and it does not require great resources to complete.

Member Glueck questioned whether or not reversals would be as dramatic if there were dramatic social or land use changes or reductions in the use of fossil fuels. Dr. Duffy said increases are dramatic if you compare them to the level of natural variability, but they have not been dramatic in the sense of having very noticeable impact. Globally, over the 20th century, temperatures warmed about one degree Fahrenheit, which is not noticeable. Regarding whether it would have dramatic societal impact, it would not; however, there might be impact in the future. Regarding whether or not we could reverse the impact, in principle, yes, but the problem is that the climate change we experience is the consequence of the sum total of global greenhouse gas emissions. So, if California or the entire United States cleans up its act, unless the rest of the world does, it does not help much. It does require cooperative action to address the problem. All of the scenarios, however, point to accelerated warming even assuming fairly significant action is taken on a global scale to reduce emissions.

Member Glueck questioned how much could we isolate out one particular region, and Dr. Duffy said you cannot; the climate change is the result of a sum total of global greenhouse gas emissions and this is why it is a tough problem. We can lead by example and we can prepare, and he believes California is doing a great job with both those things.

Member Altshuler said another way to say this is that pollution is very democratic. Dr. Duffy said this particular form of pollution is. The consequences of emitting are predominantly local, so if we dump mercury in our waters, it will not affect people in China.

Member Altshuler referred to irrigation, and said he can see temperatures on his front car bumper and when he drives through the Central Valley, he wondered if it was more of a crops issue than of irrigation. Driving through areas with grapes drops measurably by 3-4 degrees, but in grassland or dry areas, the temperature remains high. Dr. Duffy said his observation is probably correct; probably the reason for this is evaporative transportation. Crops are great at pulling water out of the ground and causing it to evaporate, which is the same mechanism whereby irrigation affects cooling. He said the study shown was very specific on comparing temperature trends and regions by degree of irrigation, and the more heavily irrigated the region is, the cooler the region. But he said he did not think irrigation is causing much in the Bay Area because we are not downwind from the Central Valley and we do not have a lot of irrigation here.

Member Altshuler discussed the temperature change and dryness in Blackhawk. Dr. Duffy agreed there was also much more traffic in Blackhawk and said the other thing he can sense is nighttime warming. He discussed his experiences of not cooling down at night like it used to and an example of the July 2006 heat wave.

Member Altshuler questioned if Dr. Duffy looked at the 1991 volcanic eruption, and Dr. Duffy said volcanic eruptions have a very significant, although short-lived, influence and they are factored into the models.

Member Altshuler referred to the drought situation, and he questioned if having less water to irrigate would cause more of a sea breeze, and Dr. Duffy said yes, the Central Valley would most likely warm up.

Member Holtzclaw questioned what Dr. Duffy was conceptually including for urbanization, given the number of factors such as the urban heat island, more concrete, less plants, more or less irrigation in suburban areas, more or less driving per capita, and ABAG compact modeling. Dr. Duffy said specifically as to what is in the models, he cannot provide a good answer because the simulations he does are global scale and he has never included urbanization. Speculatively, the two effects that are significant are a change in the surface color. Urban regions are darker, which is a warming influence, and the other factor is reduced evaporation; urban surfaces tend to be pavement and moisture from the soil cannot get through the pavement. More subtle effects like local emissions of heat from consumption of electricity are not in the simulation. He said there are a lot of activities in cities that directly creates heat and driving cars and running air conditioning is just two of them.

Member Holtzclaw referred to sea breezes, said there was an editorial writer who has since retired from the Chronicle and who wrote on weather 30-40 years ago. He explained the curious weather in the Bay Area as a 1 to 5 mile patch of colder sea waters right along the coast because of cooler deep currents that surface when they run into the continent. So the hot air with 60%-70% humidity hits that and it goes up as it cools up and this translates to our fog. So, part of global warming in some models might look at the ocean currents which may influence us here. Dr. Duffy agreed with this and said they refer to this as upwelling. The reason the water is notoriously cold off San Francisco is the upwelling of deeper, colder water to the surface and one of the things that drives the upwelling is the strong sea breeze, and the two things reinforce one another. Useful would be to simulate all of this with a model that includes both the ocean and atmosphere to model that phenomenon and this has not been done here. He said the fine resolution models used do not have interactive ocean and cannot simulate these feedbacks between the ocean and atmosphere which, for the Bay area, are significant. So, the questions being asked are exactly the ones they are least capable of answering.

Chair Kurucz referred to a previous data slide, stating there was not a trend in the daily summer maximum and questioned that as a whole, was there no trend or was there a slight cooling shown from this. Dr. Duffy said the gray regions have no statistically significant trends. The middle one is mostly gray, the right shows more cooling than anything else and he said his statement was to average the three pictures by eye, and it adds up to not much cooling. Also, there are other observational data sets besides these three and he just happened to use these three. He said he did not think cooling was likely to continue with the exception of sea breeze, which is hard to speculate how it will evolve. He believes the particulate and irrigation influences will get weaker, the greenhouse gas influences and urbanization will get stronger, but he is uncomfortable making this statement because it is not based on historical information, it is speculative, and only his opinion.

Chair Kurucz referred to contrails and asked if they are a strong correlation or factor, and Dr. Duffy said he did not believe it was a particularly strong factor. Chair Kurucz asked if it was in anyway an equilibrium with the fact that we often here that air travel is one of the biggest footprints that many of us have? Dr. Duffy said he did not know the answer.

Member Holtzclaw said intuitively, he would think that the CO₂ and other emissions that tend to increase temperature have much more momentum than aerosols which tend to dissolve a few hours later. Dr. Duffy said this is exactly right and one way to think of it is CO₂ basically accumulates in the atmosphere, it has a long lifetime and the concentration is the sum total. Aerosols have short lifetimes and this is exactly why in the 20th century the climatic influence of greenhouse gases and aerosols are similar in magnitude. As time passes, this will change because we are reducing aerosols.

Chair Kurucz questioned whether what we see as a visible contrail was from the combustion of fuel creating water or was it decompression off of the wings, and Dr. Duffy said he believes it was from the combustion of fuels, but he was not absolutely sure.

Chair Kurucz, on behalf of the entire Committee, thanked Dr. Duffy for his presentation and presented him with Air District momentums.

5. Committee Member Comments/Other Business.

Member Altshuler said it was getting harder to dispose of fluorescent light bulbs; mercury is a pollutant and asked that the collection and/or recycling of CFL's be addressed legislatively.

Chair Kurucz reminded members that the next meeting would be held on August 4 at 9:30 a.m. Member Holtzclaw requested the October meeting be held on October 13th if possible or later in the week.

6. Time and Place of Next Meeting. 9:30 a.m., Monday, August 4, 2008, 939 Ellis Street, San Francisco, CA 94109.

7. Adjournment. 11:00 a.m.

Lisa Harper
Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

DRAFT MINUTES

Advisory Council Public Health Committee
1:30 p.m., Monday, June 9, 2008

1. **Call to Order:** Chairperson Zamora called the meeting to order at 1:37 p.m.

Roll Call: Brian Zamora, Chairperson, Jeffrey Bramlett, Steven Kmucha, M.D., Karen Licavoli-Farnkopf, MPH and Linda Weiner

Absent: Cassandra Adams

2. **Public Comment Period:** There were none.
3. **Approval of Minutes of April 9, 2008:** Mr. Kmucha moved approval of the minutes, seconded by Mr. Bramlett, carried unanimously without objection.
4. **Discussion of Proposed Regulation 6, Rule 3: Wood-Burning Devices:** *The Committee discussed and received a status report on the proposed Regulation 6, Rule 3: Wood-Burning Devices. A public hearing on the rule is scheduled for July 9, 2008.*

Kelly Wee, Director of Compliance and Enforcement, said the Committee has been instrumental in working on wood smoke particulate matter issues and the Air District has worked to put forth a model ordinance to cities and counties which dovetails into the SB 656 PM implementation schedule. He discussed extensive public outreach efforts and said all comments were taken into account in modifying the Rule. When the effort began, over 16 jurisdictions that had some level of wood control program rules in effect were reviewed; however, the Air District is in the lead in addressing such a large metropolitan area.

Mr. Wee further discussed the Rule's mandatory curtailment which applies to all solid fuel devices, said the Rule has exemptions for people whose only source of residential space heating is a wood-burning device, the Rule requires cleaner burning technology in new construction and remodels and applies to EPA-certified wood stoves and inserts or pellet stoves. He provided examples of inefficient and wet wood burning, limiting burning of garbage, plastics, chemically-treated wood or other inappropriate fuels and said the Rule also requires anybody selling wood to ensure it is dry, less than 20% moisture content and properly labeled.

Mr. Wee discussed the Air District's coordinated approach of its Incentives and Outreach Department, stating the Rule affects approximately 1.2 million Bay Area residents who have fireplaces. He said on any given night 126,000 to 130,000 people could be burning in their

fireplaces, and described winter days which have exceeded the national ambient air quality standards for PM 2.5.

Committee member Weiner requested a summary of incentives and enforcement. Mr. Wee said the Air District ran a two-phase incentives program this winter; the first phase kicked off in January for \$100,000 and was very successful, with an 80% to 90% conversion to natural gas. The second phase ran later in the spring at \$400,000 through a voucher system, and that program is still active as people are installing devices to date. Mr. Wee discussed public education, stating that most people would comply with the Rule once adopted and he briefly discussed outreach efforts of the Air District.

Regarding enforcement, there are inspectors throughout the 9 Bay Area counties. Regulations take inspectors into single family homes for demolition renovation, open backyard burning which has been outlawed, and other residential enforcement. Additional overtime monies have been budgeted and they initially intend to issue warning letters and then move onto Notice of Violations and penalties.

Committee Member Weiner questioned the timeframe for those having an exemption for sole source. Mr. Wee said residents would not be forced to install a heater and the exemption has no timeframe for conversions.

Committee Member Bramlett discussed a case where neighbors were publicized for their burning habits which affected a child next door with asthma, and he confirmed with Mr. Wee this complaint was heard at many of the public meetings and the Rule would provide a mechanism to address such health impacts.

Committee Member Kmucha requested the source of statistical information, and Mr. Wee said statistics were derived from ABAG and census data. He said each year the Air District conducts a random survey on patterns of burning, information reveals that about half of the 2.5 million Bay Area residents have fireplaces or wood burning devices and approximately 126,000 to 130,000 people burn on any given night which varies throughout the winter.

Committee Member Weiner confirmed that stoves are certified under the EPA's new source performance standards for wood burning devices; anything from 1992 or newer should be EPA certified. She questioned and confirmed that Air District staff normally works through landlords and not tenants and that the Rule is to be considered by the Board of Directors at their regular meeting on July 9, 2008.

Chairman Zamora thanked Mr. Wee for his presentation and appreciated the significant progress made.

Committee Action: Ms. Licavoli-Farnkopf moved to support the proposed Regulation 6, Rule 3: Wood-Burning Devices to the Advisory Council; seconded by Ms. Weiner, carried unanimously without objection.

Committee member Weiner confirmed with Chairman Zamora that he would alert Advisory Council Chairperson Bedsworth to attend the next full Advisory Council meeting to provide the recommendation of support.

5. Committee Member Comments/Other Business

Clerk of the Boards Lisa Harper announced that the Personnel Committee, at their May 30th meeting, recommended the appointment of Virginia Smyly to replace the Public Health member vacancy left by Dr. Kim and that she would hopefully be sworn in prior to the next Advisory Council meeting.

6. Time and place of next meeting: 1:30 p.m., Thursday, August 13, 2008, Board Room, 939 Ellis Street, San Francisco, CA 94109.

7. Adjournment: The meeting adjourned at 2:02 p.m.

/s/ Lisa Harper
Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

APPROVED MINUTES

Air Quality Planning Committee
9:30 a.m., Monday, June 16, 2008

1. **Call to Order:** Chairperson Drennen called the meeting to order at 9:30 a.m.

Roll Call: Harold Brazil, Ken Blonski, Irvin Dawid, William Hanna, Robert Huang, Ph.D., John Holtzclaw, Ph.D., Kendal Oku, and Emily Drennen, Chairperson.

Absent: Kraig Kurucz

2. **Public Comment Period.** There were none.

3. **Approval of Minutes of April 10, 2008:** Mr. Blonski moved for approval of the minutes, Mr. Holtzclaw seconded the motion, and the minutes were approved unanimously.

4. **Current State and Future Projections of Regional Transit Funding:** *Theresa Rommell, Senior Planner/Analyst from Metropolitan Transportation Commission (MTC) and staff from San Francisco Metropolitan Transportation Authority (SFMTA) provided the Committee with a presentation on transit funding.*

Sonali Bose, CFO, San Francisco Metropolitan Transportation Authority (SFMTA) provided the Committee with a presentation, stating that a revenue panel was convened by the Mayor to study ways to fund Muni and review a zonal fare. As part of the study, MTA evaluated three scenarios if the entire system were fare-free; 18%, 48% and 78% increases in ridership. They reviewed the cities of Austin and Denver's fare free systems, a ridership model, high peak data from bus and rail lines, the numbers of additional hours, vehicles, facilities and drivers needed. She provided statistics, scenarios and costs for each of the three scenarios which revealed that the MTA would need to add security to the system, enhance facilities and infrastructure, update their central control system and provide other upgrades.

Ms. Bose said that the MTA has responsibilities for everything on the street--parking, signals, bicycles, pedestrians, transit and soon it will add oversight of taxis. It will look at targeting parking garage rates for long-term parking and move short-term parking to the streets, tie parking to occupancy, and increase meter rates. They are also reviewing alternatives methods to pay for parking and making available parking information available through PDA's, targeted signage, and the Internet. She further discussed Muni's structural deficit of \$150 million and said a draft report is being finalized on ways to fund Muni.

Ms. Bose discussed possibilities for increased funding including additional general fund contributions, new revenues, increases in parking tax funds, the implementation of additional advertising. She also reported that the Regional Zone project for the Transit Consortium was reviewed on June 11th and the report showed there was not enough increased ridership to pursue the project.

Chair Drennen questioned what current revenues come into the MTA from the Air District and asked if there were any other relationships between transit agencies and Air Districts. Ms. Bose said because the

Air District's requirements are specific and their transit projects are so large, they typically use the \$4-\$5 million in grant funds from the Air District to go toward smaller bicycle and pedestrian projects.

Committee Member Dawid questioned relationship between the TA and the MTA, felt that funding various projects like streetscape and pedestrian improvements could be a major source of revenue for MTA, and believed the Portland and Seattle models would be very successful. Ms. Bose discussed roles of the TA and MTA, planning oversight, how the half cent sales tax measure is allocated through the City of San Francisco to fund projects, user and non-user group funding structures, and said until MTA builds up its infrastructure, and that even fare-free transit only in the downtown would be constrained and require additional study.

Committee Member Holtzclaw said he was intrigued with the idea of combining fare free downtown with congestion pricing of the same area, which would probably handle most of the concerns about homelessness on transit. He questioned fares in parking garages which he believed were low, and Ms. Bose said they believe garages were very high and meters were low on streets. MTA wants to encourage getting shoppers onto the streets and longer-term drivers into garages. They will look at pricing and are experimenting with sensors in the ground, pricing, technology and demand.

Committee Member Blonski referred to a start-up private green transit bus system which has been following Muni routes, noting that it incorporates a fleet of vehicles at one of the piers and questioned to what degree the private sector was being asked to provide solutions. Ms. Bose said the revenue panel looked at privatizing fare collection but politically, she believed it would be very difficult to implement, given the impact on operators.

Chair Drennen, on behalf of the Air Quality Planning Committee, expressed thanks to Ms. Bose for her presentation.

Theresa Rommell, Senior Planner/Analyst from Metropolitan Transportation Commission (MTC) distributed a handout of revenue sources for their regional transportation plan and a statistical summary on transit ridership, operating costs, revenues, and performance measures. She discussed and provided definitions of revenue source categories. She also reported that the MTC estimates there will be a total of \$221 billion available for transportation over the next 25 years; however, of that amount \$191 billion has already been committed and trade-off discussions are being held regarding the allocation of the remaining \$30 billion.

Committee Member Holtzclaw acknowledged that MTC receives complaints when presenting information publicly because committed funds are based on decisions made for the half cent sales tax. However, when people are given a list of all projects, they are not given alternatives and many are concerned with calling those committed funds and then not reassessing the entire picture under the global warming scenario. Ms. Rommell agreed and said often, when a half-cent sales tax measure is passed there is already an expenditure plan tied to it, but MTC does not have any discretion of what is held in those expenditure plans. And, to re-evaluate what is in those plans would take some sort of voter initiative.

Committee Member Holtzclaw questioned if MTC was looking at an alternative that is more transit and smart growth-oriented and one that addresses global warming and the need to reduce vehicle miles traveled. Ms. Rommell said they have been formulating different scenarios that go toward fulfilling different priorities and this will be part of the trade-off discussions in upcoming months. She said there is also talk of HOT lane revenue and how those can go toward regional priorities.

Committee Member Holtzclaw said another place for advocacy is TEA-4 (successor to ISTEA and the two following surface transportation acts) which will be renewed next year, given a new administration that recognizes global warming. Ms. Rommell agreed and discussed her recent visit to Washington where

discussion occurred on how to affect transportation specifically with the re-authorization, and she believed a better streamlined funding process was needed by the federal government.

Ms. Rommell referred to the statistical summary on page 4; Region-Wide Transit Systems and said fare box accounts for 20% in total regional revenues. The rest come from TDA, STA, federal transit grants, county sales tax, and other grant funding which she said could be found on various city transit agency websites. She distributed the “ABCs of MTC” booklet and agreed to return in the future with additional information, as requested.

Chair Drennen questioned how the Air District currently fits into the funding picture for transit regionally, and Ms. Rommell said approximately \$300 million over a 25-year period is derived from AB 434 funds, most of which are used by individual jurisdictions and transit agencies. She was not aware of other jurisdictions where Air Districts provided funding for transit.

Committee Member Dawid said some would argue that transit eats up three-quarters of both regional and local transportation budgets, and Ms. Rommell agreed and said approximately 60% goes toward supporting transit to fund capital. One of their goals at MTC is to make transit more efficient, less expensive and a course for achieving this might be to consolidate some of the smaller transit agencies in the region.

Committee Member Holtzclaw believed this did not compare the total cost of the system, as there are many subsidies to driving such as parking, health care, insurance and congestion costs. He believed there should be a multiplier effect and lumping together all costs into the same category if comparing cars to transit.

Committee Member Brazil referred to Page 9 of the Statistical Summary and questioned if there were any performance threshold requirements for transit operators. Ms. Rommell said fare box recovery is one requirement for operators to receive funding. Some requirements vary and those who do not meet the requirement are allowed to go through a performance improvement process in order to allow them an opportunity for correction.

Chair Drennen referred to increased fares, cuts in service and the need for balanced budgets, and questioned what model was used by operators given constrained budget conditions. Ms. Rommell said for the RTP on the capital side, in order to replace buses and ensure a well-run system, they have identified a deficit of \$21 billion over the next 25 years. Therefore, when vehicles need replacement there will not be sufficient funding. On the operating side, it is not quite as dire but there are projected deficits over the 25 year period of about \$4-5 billion.

She said opportunities arise such as the spill-over funding operators received which was significant in 2006/07; however, most of this went towards filling the prior deficit. Now with the State’s budget cuts to transit funding, operators are right back where they were so there will constantly be deficits where fares or services will be affected.

Chair Drennen questioned options other than a gas tax, and Ms. Rommell said the gas tax would provide about \$3 billion over a 10-year period which would be the most significant, but a secondary tax could be another bridge toll. She said there is a lot of controversy over the expansion of HOT lanes because where the revenues are generated may not be where they should be spent, and MTC estimates getting over \$5 billion net over a 25 year period for HOT lanes.

Chair Drennen, on behalf of the Air Quality Planning Committee, thanked Ms. Rommell for her presentation.

5. Discussion of Air District Fees from Vehicle Registration: *The Committee received a presentation on Air District fees from vehicle registration.*

David Wiley, Supervising Environmental Planner, provided a presentation and information on motor vehicle registration fees received by the Air District from surcharges. Two sources which are dictated by legislation include \$4 for AB 434; Transportation Fund for Clean Air, and \$2 for AB 923; the Mobile Source Incentive Fund.

Regarding AB 434, Transportation Fund for Clean Air projects eligible under law include:

- Purchase or lease of clean air vehicles;
- Vehicle-based projects, i.e., retrofits and repowers of heavy-duty diesel vehicles, alternative fuels, and advanced technology demonstrations;
- Shuttle and feeder bus service to train stations;
- Ridesharing programs to encourage carpool and transit use;
- Arterial management improvements;
- Smart growth;
- Transit information systems;
- Bicycle facility improvements;
- Demonstrations in telecommuting and congestion pricing;
- Smoking vehicle program;
- Vehicle buy-back programs.

Regarding AB 923, Mobile Source Incentive Fund, projects eligible under law include:

- Engine-based projects eligible under the Carl Moyer Program;
- Certain agricultural source projects;
- Purchase of school buses;
- Accelerated vehicle retirement or repair program.

Committee Members confirmed with Mr. Wiley that the \$4 fee brings in \$25 million annually and 40% is sent directly to the Congestion Management Association and spent on various expenditure plan categories. The \$2 fee brings in \$12 million annually and 60% of this is administered by the Air District which goes into matching funds, the Vehicle Retrofit Program, the Carl Moyer Program, the Smoking Vehicle Program and other programs.

Committee Member Dawid said Chair Drennen was referring to a statewide registration fee as opposed to a surcharge which would be best addressed on a statewide level as opposed to locally being added on. He noted that the State of Washington has a weight-based, tiered registration fee whereas California's fee is based on the value of the vehicle, and there is also a flat registration fee for about \$30-\$40 which the State charges. He referred to the AB 923 funds and said Los Angeles is using a remote sensing device for high-emitting vehicles as they enter freeways. Mr. Wiley said the Air District has no current plans to implement remote sensing devices, agreed it was being reviewed in the south coast heavily and is a significant technology investment.

Committee Member Dawid confirmed that in the last fiscal year, \$800,000 went toward funding the Smoking Vehicle Program, \$4-5 million went toward funding the Vehicle Buyback Program, and that the two programs account for one-quarter of the total \$25.5 million for the TFCA.

Committee Member Holtzclaw felt the two programs were formed when the Air District was only concerned about smog and particulates, and he said he thinks Mr. Dawid's argument pertained well to the usual criteria pollutant health concerns much more so than to global warming gases.

Committee Member Brazil referred to TFCA process and the bus retrofit program, said some transit operators were having problems getting monies due to the stringent reporting requirements and do not apply for funding. Mr. Wiley and Ms. Roggenkamp acknowledged the situation and indicated the Air District could try to make the process more streamlined but could not be relieved of its responsibility and accountability of the funds.

Chair Drennen questioned how the mobile source incentive fund came about and if something similar were to be done to address global warming, what would the process look like. Ms. Roggenkamp said it was a standard legislative process and it can be formulated by legislators, the COA or the industry. Chair Drennen confirmed that the \$6 fee was statewide and each District Board must pass a resolution that allows the DMV to sequester the local funds; some are strongly supported by industry groups who see that reducing emissions is the goal and one way to do this is impose a tax on the source.

Committee Member Blonski referred to the TFCA funds and said the East Bay Regional Parks District has many heavy duty diesel vehicles which are extremely difficult to maintain, given retrofit requirements. He questioned if there was a monitoring component to address the impact or efficacy of the retrofit program's efficiency. Mr. Wiley said he has heard of similar concerns of the need for vehicles to build up to a certain temperature in order for the catalysts to operate and if not logged ahead of time, the devices will collect the PM and backup. However, a large majority of them operate well and achieve reductions. Ms. Roggenkamp acknowledged that the issue was being discussed, manufacturers are alerted when difficulties arise and technology is advancing which will address problems with new devices.

Committee Member Blonski reported that the Burlington Northern/Santa Fe Railroad has an entire series of new, efficient locomotives and Mr. Bunger discussed the development and testing of the new engines by Union Pacific and said ideas are evolving that seek to improve railroad efficiencies and operations.

Committee Member Dawid further discussed smog abatement fees and AB 118 funds, an added statewide surcharge which is an index gas tax based on the retail price or a flat registration fee. From the Committee's perspective it may be beneficial to look at a vehicle registration surcharge as opposed to looking at the actual registration itself, strictly regional or statewide.

Chair Drennen summarized the discussion, stating the Committee heard presentations on HOT lanes, and that there seemed to be some policy issues that have not been addressed on a regional level, including how money is raised and spent as well as equity issues. She further summarized that the Committee has interest in developing policy recommendations on this topic that would eventually go to the Advisory Council and then onto the Board of Directors.

Chair Drennen further summarized that the Committee heard about some of the difficulties the SFMTA have experienced with their transit funding, and how the Air District receives transportation monies from the region. She questioned if there was interest in moving forward to marrying those two--increased regional transit funding from Air District-led fees or other measures such as vehicle license fees or surcharges.

Committee Member Dawid said he believed AB 434 funds are very low, and said that vehicle buy-back is the largest percentage of the registration surcharge and also the most effective measure. He felt monies were best being used the way they are—in trying to clean up existing roads. He also thought HOT lanes present a great potential for funding public transit and there is a real nexus; however, his only concern is that the Air District is not an advisory body to a transit agency.

Chair Drennen said that she sees one potential committee work product which would be an Air District policy on HOT lanes and congestion pricing. She questioned if there was interest pursuing an additional work product to find more funds that could be spent on transit. Committee Member Holtzclaw said he would be supportive of looking at a policy statement coming from the Committee to support congestion

pricing, including how the Air District could fund projects and where that money would be spent. Committee Member Blonski suggested first identifying the pros, cons and benefits of such a policy, but voiced support for such a policy.

The Committee voiced interest in reviewing a policy statement to support congestion pricing, and Chair Drennen suggested a presentation be scheduled for the next meeting in August relating to transportation pricing and HOT lanes, that the Committee receive more clarity on types of HOT lanes and congestion pricing projects, how they increase and decrease air quality and how the Air District would determine funding for such projects.

6. Committee Member Comments/Other Business - None

7. Time and Place of Next Meeting: 9:30 a.m., August 11, 2008 – 939 Ellis Street, San Francisco, CA 94109.

Chair Drennen confirmed with Committee members that the second Monday of the month was the preferred meeting date, and the next meeting would be held on August 11, 2008.

Committee Members discussed the proposed High Speed Rail Initiative on the November ballot, supported review of information on pollution or CO₂ emissions per passenger mile for rail or air and recommended evaluating the High Speed Rail Initiative in order to arrive at a recommendation for the Advisory Council in September, prior to the November election. They also recommended that the August agenda include the crafting of a HOT lanes and Congestion Pricing policy statement, and Committee members Holtzclaw, Hanna and Blonski agreed to meet as an Ad Hoc Committee to draft a resolution on the High Speed Rail Initiative to be agendized for review and recommendation to the full Advisory Council at their September 10, 2008 meeting.

8. Adjournment: 11:48 a.m.

/s/ Lisa Harper
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and
Members of the Executive Committee

From: Louise Wells Bedsworth, PhD
Advisory Council Chairperson.

Date: September 10, 2008

Re: Consideration of Advisory Council Recommended Principles Developed in
Response to Comments to the California Air Resources Board on AB 32
Climate Change Draft Scoping Plan

RECOMMENDED ACTION

Recommend Board of Directors approval and forwarding of Principles, to the California Air Resources Board (CARB) in response to its request for comments on the AB32 Draft Climate Change Scoping Plan.

BACKGROUND

At the August 11, 2008 meeting of the Air Quality Planning Committee, the Committee developed recommended principles regarding AB32 Climate Change Draft Scoping Plan developed by the California Air Resources Board as part of the Air District's overall response to comments on the draft plan.

The Advisory Council at its September 10, 2008 meeting discussed and further refined the recommended principles for review and approval by the Executive Committee and the Board of Directors.

DISCUSSION

The principles focus on the role of land use and transportation planning in reducing greenhouse gas emissions to 1990 levels by 2020, a mandate of AB 32. Transportation is the largest single source of greenhouse gas emissions. The Advisory Council's recommended principles address transportation and land use.

Therefore, the Advisory Council recommends that the following principles be recommended to the Board of Directors, as part of their overall response to comments on the California Air Resources Board's Draft AB 32 Scoping Plan. The principles are not listed in order of priority.

1. Climate protection actions can and should reinforce current efforts to reduce criteria and toxic air contaminants and not increase hotspots in communities heavily impacted by multipollutants. Other benefits include lower heating and

- cooling costs, reduced water use and improvements in energy efficiency and public health.
2. Given that the transportation sector contributes approximately 40% of all global warming emissions in California, the Scoping Plan needs to include more aggressive emission reduction targets for land use and transportation. The plan should encourage efficient, non-auto dependent growth and compact development close to resources, jobs and transit;
 3. By taking a strong leadership role now, California will realize compounded and co-occurring benefits from future land use and transportation planning undertaken now. Actions not taken will cost all Californians more in the future. Early action credit should be given as an incentive.;
 4. Given that bus and train ridership is at an all-time high in California and that transit agencies are chronically underfunded, the Scoping Plan needs to address crucial transit investments and promote transportation efficiency to give Californians better transportation options, including biking and walking;
 5. The California Air Resources Board (CARB) should set firm targets for regions but authorize regions and localities to choose from a flexible set of policy tools to achieve the targets. Greenhouse gas emission reduction targets for transportation and land use need to be set using a transparent, justifiable methodology. Once set, progress should be measured by a similar process and reviewed in regular intervals in order for it to be consistent over the years;
 6. The Air District supports the adoption of a series of key policy tools currently under consideration, including the Indirect Source Rule, Pay-As-You Drive Insurance, Congestion Pricing and incentive programs. Other innovative measures could include alternative parking management practices (e.g. the “SFPark Program), speed reduction measures and new carbon fees to assist and reward jurisdictions successful in meeting planned targets;
 7. The plan should make it a top priority to invest in and sustain public transportation and programs to improve transportation efficiency, such as increased coordination between transportation providers to improve transit linkages, and reduce congestion. In many cases, the state, regions, and local agencies could redirect funds they are already going to spend. For instance, the statewide plan should encourage metropolitan planning organizations to re-examine committed funds in their long-term transportation plans, such as those for freeway expansion;

8. Cities, counties and regions should be given incentives to develop in less fire-prone areas, manage vegetation and conserve forests and agriculture in order to sequester carbon and improve air quality.

Respectfully submitted,

Dr. Louise Bedsworth,
Chairperson, Advisory Council

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 22, 2008

Re: Joint Policy Committee Update

RECOMMENDED ACTION:

Receive and file.

DISCUSSION

At the September 29, 2008, meeting of the Executive Committee, Ted Droettboom will provide an update on the activities of the Joint Policy Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 19, 2008

Re: Discussion and Possible Recommendations on Advisory Council's Role

RECOMMENDED ACTION

None at this time. Item is for a conceptual discussion.

BACKGROUND

Since 1955, the California Health and Safety Code has mandated that the air pollution control agency for the Bay Area maintain an Advisory Council, the purpose of which is to advise and consult with the Board of Directors and Air Pollution Control Officer regarding issues related to carrying out the statutory mission of regulating sources of air pollution within the Bay Area. As presently codified, this requirement, contained in California Health and Safety Code Sections 40260, et seq. mandates that the Bay Area Air Quality Management District (Air District) maintain an Advisory Council that consists of 20 members who preferably are skilled and experienced in the field of air pollution. Pursuant to section 40262, the membership of the Council is defined to include the Chairperson of Air District Board of Directors, who serves as an ex officio member, at least three representatives of public health agencies, at least four representatives of private organizations active in conservation or protection of the environment within the district, and at least one representative of colleges or universities within the state. In addition, the membership of the Council must include at least one representative of each of the following groups within the district: regional park district, park and recreation commissions or equivalent agencies of any city, public mass transportation system, agriculture, industry, community planning, transportation, registered professional engineers, general contractors, architects, and organized labor. Each member of the Advisory Council serves a two year term of office. Advisory Council members serve without compensation, but are allowed actual expenses incurred in carrying out their duties. The California Health and Safety Code stipulates that the Advisory Council must meet at least four (4) times per year.

DISCUSSION

As noted above, the statutory purpose of the Advisory Council is to advise and consult with the Board of Directors and Air Pollution Control Officer regarding issues related to carrying out the statutory mission of regulating sources of air pollution within the Bay Area. The purpose and the role of the Advisory Council have been different at different

times in the Air District's 53 year history. In the early years, for example, the Advisory Council wrote some of the District's first rules. In more recent years, as the District has employed professional staff to research and develop rules, the Advisory Council's role has evolved to one of reviewing current developments in a variety of air pollution related areas and offering advice and counsel to the Board of Directors and District staff on those issues.

Over the years, the Advisory Council has created a set of standing committees of itself (Executive, Planning, Technical and Public Health), through which it conducts its reviews of various issues. The committees are typically composed of nine or fewer Advisory Council members (less than a quorum of the Advisory Council as a whole). The committees periodically report and make recommendations to the Advisory Council meeting as a whole, which then takes actions on the reports and recommendations. Often the information reviewed by these committees overlaps with interests of one or more of the other committees and/or the Advisory Council as a whole, which has sometimes lead to duplicative meetings or cumbersome joint committee meetings.

Staff has been for some time considering ways in which the talents and resources of the Advisory Council might be more fully and efficiently utilized. Staff will discuss some concepts in this regard with the Executive Committee and seek direction from the Executive Committee on these concepts. Among the topics of discussion will be transitioning from the current Advisory Council committee structure to having the Advisory Council meet as a whole at four meetings per year each of which would include presentations and consideration of a specific topic. The topics for these four meetings would be: (1) current developments in health information related to air quality; (2) current developments in technologies and techniques for control of air emissions from stationary sources; (3) current developments in technologies and techniques for control of air emissions from mobile sources; and (4) current developments related to air quality in land use planning and transportation planning. By considering these topics in meetings of the full Advisory Council, staff believes the talents, expertise and views of the various members of the Advisory Council can be more fully and efficiently shared to the benefit of the Board of Directors and staff of the Air District.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Staff anticipates that a reduction in the number of meetings and synthesizing of topics considered by the Advisory Council would result in an undetermined savings from reduced demand on staff resources devoted to the Advisory Council.

Respectfully Submitted,

Jack P. Broadbent
Executive Officer/APCO

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and Members of
the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 19, 2008

Re: Discussion of Air District Out-of-State Business Travel Policy

BACKGROUND

Pursuant to the direction received at the Board of Directors meeting held on July 9, 2008 and at the request of Director Uilkema, this item has been placed on the Executive Committee agenda for discussion.

Attached for the Committee's review is a copy of the Air District's Administrative Code Division II- Fiscal Policies and Procedures; Section 5: Allowable Expenses – Section 5.4 (b).

Respectfully Submitted,

Jack P. Broadbent
Executive Officer/APCO

SECTION 5

ALLOWABLE EXPENSES

5.1 DIRECTOR TRAVEL EXPENSES.

The Board of Directors shall be reimbursed for actual and necessary expenses, including meals, incurred by them in the performance of their duties, and for travel incurred by them in the performance of their duties, and for travel expenses outside of the District when authorized by the Board of Directors or the Chairperson of the Board in cases where short notice prevented authorization by the full Board. Directors shall be reimbursed for mileage at the rate per mile allowed by the Internal Revenue Service each year. Mileage shall be allowed to Directors for meetings of the Board of Directors and for committee meetings from their homes to the office of the District or to such other place as the meeting of the Directors or the committee, or other official business, may be held. Necessary incidental expenses shall include all reasonable charges for bridge tolls and for parking.

5.2 DIRECTOR PER DIEM MEAL EXPENSES.

The Board of Directors is authorized to include meals in their expenses, when such expenses occur as a result of attendance at Board, committee or other authorized functions and provided that receipts are presented as required by Section II-5.6.

5.3 INCIDENTAL EXPENSES OF DIRECTORS AND APCO.

Actual and necessary incidental expenses in attendance at other meetings or on direction of the Board or Chairperson of the Board, or in conference on District business with qualified persons, shall be allowed to the Board of Directors and the APCO.

5.4 EMPLOYEE EXPENSES.

Employees shall be reimbursed for actual and necessary expenses, including meals, incurred by them in the performance of their duties provided that receipts are presented as required by Section II-5.6.

- (a) Employees shall be reimbursed for mileage at the rate per mile allowed by the Internal Revenue Service each year, plus necessary bridge tolls and parking charges. Mileage will ordinarily be computed from the District, except when an employee leaves from a location nearer the destination.
- (b) Travel of employees outside the District area on official business shall be at the direction of the APCO or his designee and with prior specific approval. The APCO shall approve out-of-state travel only after determining that there is no acceptable, lower cost alternative to the travel. Travel outside of the state must be reported to the Board of Directors at the next regularly scheduled meeting.
- (c) Employees attending meetings, hearings, or conferences with qualified persons at the direction of the APCO in an official capacity will be allowed actual and necessary incidental expenses incurred in connection with such attendance, and shall submit travel requests on appropriate forms.

5.5 TRAVEL REPORTS.

Upon request by the APCO or supervisor, it shall be the duty of any assistant, deputy or employee whose duty it has been made to attend a conference or meeting outside of the District to file a reasonably complete report with the APCO.

5.6 RECEIPTS FOR EXPENSES.

Vouchers or receipts shall be presented to the Director of Administrative Services for all necessary and incidental expenses, provided, however, that vouchers need not be presented for bridge tolls, parking charges, telephone calls, meals and other miscellaneous travel and

incidental expenses, the individual items of which do not exceed ten dollars (\$10.00), provided further, that at the discretion of the APCO, employees of the District may be required to present such receipts or vouchers for amounts less than ten dollars (\$10.00) for purposes of internal control.

5.7 TRAVEL EXPENSE ADVANCES.

Advance payment for travel expenses may be authorized by the APCO to cover expenses which will be incurred by District personnel on approved travel. Such payments may include costs of transportation and other anticipated major expenses.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Hill and Members
of the Executive Committee

From: Jack Broadbent
Executive Officer/APCO

Date: September 22, 2008

Re: Options to Address Accrued, Unfunded OPEB Liability

RECOMMENDATION

Consider options to address accrued, unfunded liability for other-than-pension post-employment benefits (OPEB) and provide feedback to staff in advance of any recommendation to the Budget & Finance Committee.

BACKGROUND

Accounting rules for government agencies require that the District reports financial liabilities from certain retirement benefits known as “other-than-pension post-employment benefits,” or OPEB for short. Staff has worked with an actuarial consulting firm, Bartel Associates, to identify the District’s financial liability for retiree benefits including medical, dental, vision and life insurance.

Staff has worked with the Executive and Budget & Finance Committees over the past two years to review the District’s OPEB liability and explore funding approaches. So far, the following steps have been taken relative to funding the District’s OPEB liability:

- 1) \$1.4 million per year (\$4.2 million total so far) has been approved to pre-fund *future* OPEB liability. Options for addressing the unfunded OPEB liability that had already accrued[†] were to be developed for subsequent consideration.
- 2) The District has selected CalPERS to administer an OPEB trust fund and the Board of Directors approved an agreement with CalPERS to that end.
- 3) The money approved for pre-funding the future liability has been sent to CalPERS.

DISCUSSION

Staff has developed options for addressing the unfunded accrued actuarial liability, also known as the UAAL, which represents the liability that had built up prior to the District’s decision to begin pre-funding the OPEB. The options are as follows:

1. Issue Bonds

Preliminary meetings with bond consultants indicate that the District could issue bonds at a borrowing cost of around 6%. This compares favorably with the assumed rate of return on

[†] \$48 million if you assume a 4.5% discount rate, \$31 million if you assume a 7.75% discount rate

funds invested by CalPERS, which is 7.75%. CalPERS has achieved a high rate of return historically, exceeding their actuarial assumption on average the past fifteen years. The difference between the borrowing cost and the return on investments could achieve savings in the range of \$6 million to \$9 million dollars[‡] depending on the amortization and debt service model used. The annual payments on the bonds would also vary depending on the model used. For example, a level debt service model with a 30 year amortization schedule would require a commitment of \$2.2 million annually; this scenario assumes that the bond issue is for the entire amount of the UAAL but of course there is no requirement to issue bonds for the entire amount.

2. Increase the annual contribution to the trust fund to pay down the unfunded liability.

Using a twenty year amortization schedule, the District would need to increase the contribution to the trust fund by approximately \$2.4 million dollars in the first year in order to begin paying down the accrued unfunded liability. This option would impact the budget in the short term, but would have a positive long-term impact on the District's finances by taking advantage of investment returns in the same way the District is doing with the current contributions. This option provides more flexibility than bonds, in that the funding would be reviewed and approved (or not) each budget year.

3. Maintain the current level of contributions.

Maintaining the current level of contributions would not address the accrued unfunded liability, but would also not impact the budget in the short term. Over the long term the District would forego any savings that would be realized using options 1 or 2.

SUMMARY

Staff has developed options to address the UAAL portion of the District's OPEB liability. The options vary widely relative to potential savings and budget flexibility. Staff would like feedback from the Committee before developing any recommendation for consideration by the Budget & Finance Committee.

Respectfully Submitted,

Jack Broadbent
Executive Officer/APCO

Prepared by: Michael Rich
Reviewed by: Jack Broadbent

[‡] These figures reflect present value; the range is \$14 million to \$30 million adjusting for inflation

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chair Jerry Hill and Members
of the Executive Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: September 18, 2008

Re: Overview and Discussion of Air District's 2009 Clean Air Plan

RECOMMENDED ACTION

None. Informational item only.

BACKGROUND

The California Health & Safety Code requires air districts to update their plans for State air quality planning purposes on a triennial basis. The District's most recent plan, the 2005 Ozone Strategy, was adopted by the Board in January 2006.

With respect to national air quality planning requirements, the District is not required to prepare a SIP submittal for either ozone or particulate matter (PM) at this time. However, if the Bay Area is designated nonattainment for the revised national ozone or PM standards, the District may be required to prepare a PM SIP and/or an ozone SIP at a future date.

DISCUSSION

Staff has begun work on preparing the Bay Area 2009 Clean Air Plan (CAP). Staff anticipates bringing a final plan to the Board for consideration and approval in fall 2009. The primary purpose of the 2009 CAP will be to update the 2005 Ozone Strategy. In order to comply with the Health & Safety Code, the plan must:

- Report on progress in reducing ozone concentrations and public exposures
- Provide an updated control strategy, including "all feasible control measures" to attain state ozone standards by the earliest practicable date and reduce transport to neighboring air basins

In the context of updating the ozone plan, District staff is interested in developing an integrated, multi-pollutant air quality plan. As currently envisioned, the 2009 CAP would address particulate matter, air toxics, and greenhouse gases, in addition to ozone precursors.

The potential benefits of developing an integrated, multi-pollutant air quality plan include the following:

- Help to reaffirm the District's reputation as a leader and innovator
- Better integrate the District's efforts to reduce criteria pollutants, air toxics, and greenhouse gases
- Optimize synergies / minimize trade-offs among control measures and pollutants
- Provide stronger justification for potential new control measures by showing the entire range of pollutants reduced and full air quality benefit that would be achieved
- Identify control measures that will be most cost-effective in reducing overall health risks and health effects
- Provide opportunity to consider new types of control measures (e.g., heat mitigation measures) to address challenges such as global warming
- Allow the regulated community to more effectively plan for compliance via an integrated plan that includes control measures to address multiple pollutants
- Educate the public and stakeholder groups as to 1) relationships and interactions between different pollutants and precursors, and 2) the potential impacts of climate change on criteria pollutants and air toxics.

Developing an integrated, multi-pollutant plan presents both significant challenges and opportunities. U.S. EPA is supporting the development of several multi-pollutant pilot projects of limited scope. However, there are as yet no guidelines or off-the-shelf templates available to guide this effort.

Staff will provide an overview of the proposed scope and schedule for the 2009 CAP, and receive comments and suggestions from the Committee.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Burch
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Jerry Hill and
Members of the Board of Directors

From: Jack P. Broadbent, Executive Officer / APCO

Date: September 23, 2008

Re: Summary of 2008 Ozone Season and Potential Attainment / Nonattainment
Designation of the Bay Area for the Revised 8-hour National Ozone Standard

RECOMMENDED ACTION:

Receive and file.

DISCUSSION

Staff will present a summary of the 2008 Ozone Season. The summer of 2008 had more warm weather than the summer of 2007, with high temperatures on 16 days compared to 6 days in 2007. Through September 23rd the revised eight-hour national ozone standard was exceeded on 11 days compared to 2 days in 2007. The eight-hour State ozone standard was exceeded on 16 days, and the one-hour State ozone standard on 9 days.

EPA revised the 8-hour national ozone standard from 84 ppb to 75 ppb on March 12, 2008 and the revised standard became effective on May 27, 2008. States are required to make recommendations to EPA for areas to be designated as attainment or nonattainment by March 2009. EPA will issue final designations for areas as attainment or nonattainment by March 2010. Based on ozone monitoring data staff expects California to recommend to the EPA that the Bay Area be designated as nonattainment for the revised 8-hour national ozone standard.

The summer 2008 Spare the Air campaign runs from May 15th through October 3rd. Through September 23rd, there were 13 Spare the Air days and one Free Transit day on June 19th.

BUDGET CONSIDERATIONS/FINANCIAL IMPACTS

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer / APCO